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30 June 1983

NEAR EAST/SOUTH ASIA REPORT

No. 2776

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INTERNATIONAL AFFAIRS

SALAH KHALAF SANA INTERVIEW IN MOSCOW

JN112140 Damascus SANA in Arabic 2045 GMT 11 Jun 83

[Text] Moscow, 11 Jun (SANA--Salah Khalaf, alias Abu Iyad, Fatah Central Committee member, praised Syrian-Palestinian relations, describing them as distinctive. In an interview with the SANA correspondent in Moscow, Khalaf said that Syrian-Palestinian relations have always been stronger than all the superficial problems both within the Fatah movement which is a basic PLO group, and the Palestinian revolution as a whole. Abu Iyad said: We and the Syrians are soldiers in the same trench because Syria, under the leadership of President Hafiz al-Asad, and the PLO are the only forces that resist the imperialist U.S.-Zionist scheme with blood and not with words and statements. Syrian-Palestinian relations, Khalaf added, will remain strong despite attempts by our enemies, and will remain the symbol of our contemporary Arab history.

Answering a question on U.S.-Israeli preparations for an aggression against Syria, Khalaf said: Those who follow the Israeli offensive in al-Biqa' and the Zionist leaders' statements observe that the Israelis, with U.S. consent, are preparing an aggression against the Syrian and Palestinian forces; that this aggression is now imminent with the aim of peddling the Israeli-U.S.-Lebanese agreement and imposing an Israeli-U.S. settlement on Syria through the Reagan plan. Khalaf added that their aggression has extended to include part of the northern Lebanese territory in order to tighten the siege around Syria from all sides, thinking that this will impose their settlement on Syria and the PLO.

Khalaf added that Syria is not alone in the battle but is supported by all Arabs, the friendly USSR, and all the socialist states, in addition to the fact that the general mobilization of the Syrian Armed Forces and the Palestinian and Lebanese nationalist forces are the basis for defeating the aggression.

Khalaf said: Those who think that the Israeli aggression against Lebanon which began last year will realize military and political gains are greatly mistaken. We hold the United States responsible for the results of this war both on the local and international levels. The Arab region is no longer an arena for implementing U.S. schemes because there are deterrent forces in the Arab region represented by Syria, the PLO, and the Lebanese nationalist forces.

On the Israeli-Lebanese agreement of submission, Khalaf said that the most prominent characteristic of this agreement is that it is very humiliating to Lebanon. He said that following the failure of the Jordanian-Palestinian talks which aimed to drag the PLO into the Reagan plan, Shultz moved in to save the Lebanese-Israeli negotiations and came up with this agreement which was truly described by President Hafiz al-Asad as being a disaster for Lebanon and the Arab nation. This is because if this agreement is approved, the next stage will be for Jordan to join the negotiations on the basis of the Reagan plan, and therefore, Syria and the PLO would have no alternative but to surrender to the Zionist aggression with which Begin has threatened them.

Khalaf added: Confronting the agreement and mobilizing the Lebanese and Arab public to topple it is the daily task of all the progressive nationalist forces in the Arab homeland. Syria, the Lebanese nationalist forces, and the PLO, the vanguard of these forces, shoulder the duty of confronting this agreement with arms.

Khalaf addressed greetings to every Syrian, Palestinian, and Lebanese fighter on the contact lines with the enemy, stressing that the Arab nation expects a great deal from these fighters. It is through their hands and shoulders that the nation will make up for years of inability, despair and frustration. It is also through them alone that the new political decision will be made for steadfastness, confrontation and facing all the forces of aggression.

Khalaf also addressed his cordial greetings to all the Syrian, Palestinian, and Lebanese nationalist leaders, headed by President Hafiz al-Asad, for their honorable stand in support for the honest strugglers and fighters.

Regarding the internal situation within the Fatah movement, Khalaf said: We are for democratic dialogue and settling the dispute by democratic means. Syria has no connection with the disputes which have taken place. Efforts must now be directed toward confronting the enemy and establishing a Palestinian-Syrian alliance with the Lebanese nationalist forces and the Arab forces which seek to confront Israel, because the coming battle will be important and serious and its results will determine the future of the entire Arab homeland.

On the outcome of his recent visit to the Soviet Union, Salah Khalaf said that his talks were positive in all aspects. He added: The Soviet Union has blessed our (?move) toward setting up a political, military (?unity) comprising the brothers in Syria, the Lebanese nationalists and ourselves. This would act as a nucleus for all Arabs to participate in defending the Arab nation's dignity and honor.

In his interview, Khalaf said that the Soviet comrades have expressed their absolute support for the stand that Syria and the PLO are adopting toward the Lebanese-Israeli agreement. He said: Our views were identical on the possible Zionist aggression against Syria to impose an Israeli-U.S. settlement based on the Camp David scheme. The Americans and the Israelis, he added, hold the view that if the Syrian-Palestinian stronghold collapses, the U.S.-Israeli presence would dominate the entire Arab region.

LOANS GRANTED BY GULF AGENCIES

Paris AN-NAHAR ARAB REPORT & MEMO in English No 22, 30 May 83 pp 5-7

[Text]

Two Arab aid agencies have announced loans and grants of over \$325 million in recent weeks, indicating that the cutback in assistance to poor nations due to the fall in oil prices may not be as drastic as some had earlier feared. The loans and grants by the Kuwait Fund for Arab Economic Development and the Islamic Development Bank in Jeddah were made in advance of a series of meetings in Vienna which began last week when the Ministerial Board and the Governing Board of the OPEC Fund for International Development conferred at the Fund's headquarters. Subsequent meetings which were continuing until the end of May are bringing together the heads of Arab and Western aid agencies and commercial banks to discuss co-financing of funds.

The latest assistance provided by the KFAED and the IDB cannot, however, offset by much what is on the whole a gloomy picture for poor countries seeking aid from richer nations. This was underscored by Dr Ibrahim Shihata, the outgoing Director General of the OPEC Fund. Financial flows to developing countries were "manifestly unsatisfactory" and prospects for an improvement were "not particularly bright," Dr Shihata declared in a paper delivered in Kuwait at a meeting of the Club of Rome. Dr Shihata is due to join the World Bank on July 1 as Vice President and General Counsel but has agreed to delay his departure. No successor to him as head of the OPEC Fund had been chosen when this newsletter went to press last week, apparently because of a lack of consensus among the ministers.

Dr Shihata, according to a dispatch from the OPEC news agency, noted that Third World countries were requiring increasing amounts of aid merely to maintain minimum momentum in their development and that growth and development had been jeopardised by external elements over which the countries of the Third World had little or no control. At the same time, he asserted, low-income countries were unable to attract the non-concessional sources of funds that were available to countries

that were relatively better off. And while the dependence of the low-income countries upon Official Development Assistance (ODA) was increasing, Dr Shihata said the actual flows of ODA funds had not kept pace with requirements.

Dr Shihata said the UN's guideline figure of 0.7 per cent of Gross National Product was accepted by most industrialised states as the target for ODA, "subsequent performance of the industrialised countries in meeting the target was disappointing, both on the part of the West and the East." Had the target been met by donors of the OECD's Development Assistance Committee (DAC), there would have been an additional \$25 billion available in concessional flows to developing countries in 1981.

ODA from the OECD between 1973 and 1981, Dr Shihata added, amounted to \$160.22 billion and, while this sum was large in absolute terms, the flows represented only a small portion of the donors' GNP. "At no time during the period did DAC assistance exceed 0.38 per cent of GNP," Dr Shihata said, "the average over the last nine years being about 0.34 per cent." The Netherlands, Denmark, Norway and Sweden did donate significant proportions of their GNP as aid, Dr Shihata declared, but the US had never contributed more than 0.27 per cent of GNP during the period under review and the average for the US was 0.25 per cent.

Much of the OECD aid was tied to procurement of goods and services from the donor countries, Dr Shihata noted. In 1981, 48.7 per cent of all bilateral DAC aid was tied and 9.7 per cent was partially tied. In the case of the US, he added, this aspect of aid was even more marked and 76.4 per cent of American bilateral ODA was fully or partially tied in 1981.

The performance of Warsaw Pact countries was even less encouraging, although Dr Shihata conceded that none of the communist countries had expressed their intention of contributing 0.7 per cent of GNP nor had they recognised a responsibility to contribute towards Third World

development. ODA from these countries between 1973 and 1981 amounted to only 5.5 per cent of aid from all sources, Dr Shihata said, and their net ODA disbursements were estimated at \$2.1 billion a year in 1980 and 1981. This represented 0.14 per cent for their estimated GNP, he declared.

By contrast, OPEC countries contributed 25.4 per cent of total ODA during the nine years under review. This amounted to \$58.87 billion, with the largest donations coming from Saudi Arabia, Kuwait and the UAE. The Saudis alone were responsible for 69.1 per cent of OPEC's ODA in 1981, Dr Shihata said, putting it on a par with the US. Each had contributed about 16 per cent of overall ODA assistance. "Considering the fact that the GNP of the US is 24 times larger than that of Saudi Arabia, the aid performance of Saudi Arabia is much more impressive," he asserted. ODA from OPEC countries had exceeded consistently 2 per cent of GNP and had reached almost 3 per cent in 1975.

Figures for individual OPEC countries were still more striking. In 1973, Dr Shihata noted, Qatar had provided 15.62 per cent of GNP in aid, Saudi Arabia 14.8 per cent, the UAE 12.67 per cent and Kuwait 8.62 per cent; in 1981, these figures were: Saudi Arabia, 4.66 per cent, Kuwait, 3.39 per cent and the UAE, 2.88 per cent. OPEC aid reached a peak of \$9.61 billion in 1980 and stood at \$8.18 billion in 1981.

The latest KFAED loans were signed on May 16 by the Kuwaiti Finance Minister Abdel Latif al-Hamad, who is also Chairman of the Fund. Togo is to receive \$17.17 million to help finance 123 kilometres of road construction. The total cost of the project is put at \$32.8 million and it is due to be completed next year. The loan is for 20 years with three years' grace and will carry interest of 2.5 per cent and 0.5 per cent to cover administrative costs.

A loan to Bhutan signed the same day will provide \$9.27 million towards the cost of \$12.02 million for a wood industries complex at Gedu which is intended to meet both local demand and to provide timber for export. Work on the scheme is already underway and should be completed by the end of 1984. The 20-year loan has a grace period of five years and interest is 1.5 per cent a year with an additional 0.5 per cent to cover administrative expenses.

KFAED's largest recent loan is for \$45.8 million and it has been extended to China to help fund construction of a fertiliser factory at Urumqi in Kinjiang Uighur Autonomous Region. The plant is due to be completed in 1985 and it is designed to produce 1,740 tons of urea and 1,000 tons of ammonia a day, using heavy fuel oil which is available locally as both feedstock and fuel. The loan is repayable over 19 years with a grace period of four years and interest at 3.5 per cent.

Senegal is to receive a KFAED loan of \$20.61 million to help finance a \$274 million phosphates processing

plant with an annual planned capacity of 257,000 tons and which is at present under construction. In addition, Senegal is to receive a loan of \$10.3 million to cover 60 per cent of the cost of drilling 250 tube wells to provide water and a grant of \$5.13 million for a similar drilling project to provide water on an emergency basis for 49 villages. The fertiliser loan is for 20 years with a six-year grace period and interest at 3.5 per cent while the water loan is for 25 years with five years' grace and interest of 1 per cent a year.

Cyprus was granted a loan of \$8.24 million towards the \$47 million project to improve the flow of road traffic in and around the port of Limassol. The project also includes improving the management and maintenance of roads in Cyprus and the licensing of vehicles. The loan is for 15 years with a three-year grace period and interest at 4.5 per cent.

KFAED extended a topping up loan of \$4.29 million to Guinea-Bissau to help pay for the country's international airport at Bissalanca. KFAED provided a loan of \$6.87 million for the project in May 1978, when the airport was expected to cost about \$13 million; the African Development Bank has also provided a loan of \$11.3 million for the airport, which will give the country a direct link with the outside world and could promote tourism in Guinea-Bissau. The latest Kuwait loan is for 25 years with a grace period of five years and interest at 1.5 per cent.

Upper Volta received a loan of \$13.74 million as partial financing for a 169-kilometre road linking Fada Ngourma and the border with neighbouring Niger. The estimated total cost of the road is \$33.4 million and it is due to be completed by mid-1984. Terms for this loan were not available.

The IDB Board approved loans to five countries to finance imports of crude oil. Bangladesh is to receive \$20 million, Jordan \$20 million, Morocco \$20 million, Pakistan \$30 million and Turkey \$25 million. In addition, Gambia is to receive a loan of \$2 million to cover imports of refined petroleum products and Algeria is to get a loan of \$30 to cover imports of cement. Terms of the loans were not disclosed.

Oman is to receive a loan of \$14 million to cover imports of boosters, compressors and turbines for the third stage of its gas system and South Yemen will be lent \$12 million to purchase six petroleum reservoirs. The bank is also to provide the Turkish-Libyan Maritime Company with a loan of \$8 million to finance a livestock shipping project.

Development projects will also receive IDB loans and the board approved a loan of \$5.28 million to Senegal to build and equip 15 schools and to promote the teaching of science; Mauritania is to get \$4.5 million to provide engineers and senior technicians for an institute at Nova Dado.

The board decided to increase its equity participation in two Turkish companies, providing \$500,000 for the

Yontas Yonur Levha Sanayi Ve Ticaret company and \$450,000 for Seyaltas Seydisehir Aluminium Company; the IDB is also to provide \$4.5 million to participate in a project to manufacture tyres in Tunisia and is to invest \$3.31 million in a land development project in Morocco.

The IDB will also provide technical assistance to four member countries. Senegal will receive \$1.36 million for a pilot project for reforestation, Gambia \$302,000 for rural electrification, Sierra Leone \$250,000 to complete a feasibility study for a paper pulp project and Mauritania \$301,000 for a study on a dairy and animal feed project.

Finally, the board announced three grants. An Islamic project in New Mexico is to receive \$100,000, an agricultural polytechnic institute in Benin will get \$1.4 million and an unspecified institute in the Ivory Coast is to receive \$1.35 million.

Altogether, the IDB has extended financing of \$436.82 million for 55 operations since the beginning of the current Islamic year on October 19, 1982.

CSO: 4400/374

YEMENI-SUDANESE COMMITTEE CONCLUDES MEETINGS

Sanaa AL-THAWRAH in Arabic 19 Apr 83 p 2

[Text] The third session of the Joint Yemeni-Sudanese ministerial committee concluded its work yesterday morning in Khartoum after meeting from 16 to 18 April. The following joint report was issued:

The final report of the work of the third session of the joint ministerial committee of the Yemeni Arab Republic and the Democratic Republic of the Sudan, Khartoum, 16 to 18 April 1983.

Crowning the warm fraternal relations developing between the peoples and governments of the two countries, supporting the historical contacts, close ties, blood, and destiny that bind the peoples of the two countries, and being guided by the instructions of the two presidents and leaders 'Ali 'Abdallah Salih and Ja'far Muhammad Numayri on deepening and developing cooperation between the two countries and on the need to devise practical realistic forms that will bring blessings and benefits to the peoples of the two fraternal countries and what will serve the aspirations of the Arab nation through cooperation, solidarity, and mutual responsibility in all fields and on all levels, and considering what the joint ministerial committee achieved in the way of broad practical measures to promote and develop cooperation between the peoples and governments of the two countries.

The joint ministerial committee held the third session of its meetings in Khartoum from 2 to 6 Rajab 1403 (16 to 18 April 1983).

The Yemeni side was led by brother 'Ali Lutf al-Thawr, minister of foreign affairs and member of the standing committee. The members of the Yemeni delegation were:

1. Brother Muhammad al-'Ulfi, Minister of Justice.
2. Brother Ahmad al-Ruhumi, member of the standing committee and president of a spinning and textile mill.
3. Brother 'Ali Qasim al-Mu'ayyid, ambassador of the Yemeni Arab Republic to Khartoum.
4. Brother 'Abd-Rabbihi Jarradah, deputy minister of education.
5. Brother Hasan 'Aziz, an official in the Ministry of Interior.

6. Brother 'Abdallah al-Dhamari, administrative director of the military establishment.
7. Brother Hamud al-Mikhlaifi, director of the Economics Administration in the Ministry of Foreign Affairs.
8. Brother Muhammad Muhammad Quflah, director general of the office of the ministry of development for technical affairs.
9. Brother Najib 'Abd-al-Quwa, director general of foreign trade in the Ministry of Supply.
10. Brother Lutf al-'Ansi, director general of planning and statistics in the Ministry of Agriculture.
11. Brother Yahya 'Abdallah al-Shawkani, secretary to the minister of foreign affairs.
12. Brother Jamil Hizam Ghanim of the consular administration.

The Sudanese side was led by Muhammad Mirghani Mubarak, minister of foreign affairs of the Democratic Republic of the Sudan. The members of the Sudanese delegation were:

1. Mustafa Madani Ab-Bashar, minister of state in the ministry of Foreign Affairs.
2. 'Umar Bakhit, vice president of the judicature.
3. 'Abdallah 'Ali Jabir, ambassador of the Democratic Republic of the Sudan to San'a'.
4. Muhammad Kamal Badr, deputy minister of education and guidance.
5. Muhammad Khawajli Salihin, deputy minister of national guidance and information.
6. Kamal 'Ali Ba-Bakr, deputy minister of agriculture.
7. Maj Gen Mirghani 'Abd-al-Rahman Numayri, director of training and research in the Sudan prisons administration.

Two subcommittees were formed to study ways of promoting cooperation in all fields. The two sides held constructive and fruitful talks in a friendly atmosphere filled with feelings of genuine brotherhood. They also studied drafts of protocols of cooperation between the two countries that were prepared by the agencies concerned to support and consolidate the cooperation existing between the legal authorities in the two countries. They agreed to continue the exchange of legal experience, and visits, and views on matters relating to legal legislation in the two countries.

In the field of education, the two sides agreed to continue lending teachers and exchanging university scholarships. In this connection they signed a protocol calling for the organization of methods of cooperation between the Sudanese Ministry of Education and Guidance and the Yemeni Ministry of Education.

Out of a desire to strengthen cooperation in all branches of agriculture, the two parties agreed to an exchange of experience and cooperation in agricultural research. They also agreed to the formation of a joint technical committee, for which purpose they signed a protocol of agricultural cooperation between the two countries.

To support the information and cultural relations between the two fraternal countries, both sides agreed to encourage the exchange of visits by technical teams, strengthen cooperation between the ministries of information in the two countries, and proclaim cultural weeks in both countries in addition to cooperating in the field of radio and television. They also agreed to an exchange of historical and archaeological studies in the field of antiquities and excavation.

The two sides reviewed ways of promoting the exchange of trade between the two countries and they agreed to work hard to support commercial and economic exchange. In this connection the two sides agreed to add two lists of articles for exchange between them within the context of the trade protocol signed in 1980. The two sides also agreed to increase contacts between businessmen to permit them to become acquainted with the opportunities for trade and direct contact between the economic, trade, industrial, and cooperative organizations in the two countries.

To support cooperation between the police and prisons, the two sides agreed to exchange experience, information, and visits and to provide opportunities for training.

The two sides agreed to hold the fourth session of the meetings of the joint ministerial committee in San'a' next year. In concluding the talks, brother 'Ali Lutf al-Thawr, minister of foreign affairs, member of the standing committee, and leader of the Yemeni delegation, expressed his deep gratitude and appreciation to the people and government of the Democratic Republic of the Sudan for the warmth of the reception and hospitality given him and the delegation during their stay in the Sudan.

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CSO: 4504/391

SOVIET MIDDLE EAST PEACE PROGRAM DISCUSSED

Nicosia FALASTIN AL-THAWRAH in Arabic No 457, 7 May 83 pp 30-31

[Article by Soviet journalist (O. Fomin): "Moscow and Means of Just Settlement in Middle East; Jerusalem Is Part of Palestinian State; Zionist Settlements Are Form of 'Encroaching Usurpation'; Moscow Sees Brezhnev and Fez Plans as Practically Identical"]

[Text] Five Arab-Israeli wars, tens of armed conflicts and, as a result, tens of thousands of people killed, disabled, displaced and homeless and a still homeless Palestinian people--this is the outcome of the activity of imperialism and Zionism in the Middle East and of their active exploitation of the aggressive military force in the area, the "State of Israel," which has been engaged throughout the years of its existence in an aggressive expansionist policy, rudely violating the Arab peoples' legitimate rights and attempting to hamper present and future development of the Arab countries.

In the summer of 1982, Tel Aviv attacked independent Lebanon, perpetrating a flagrant massacre against the Palestinian and Lebanese peoples and seeking to subjugate the Republic of Lebanon politically and economically and to usurp part of the Lebanese territory. In this war, one of the bloodiest wars Israel has launched in the Middle East, Israel utilized the boundless military and political assistance and backing extended to it by the United States.

Major Soviet Interest

In the face of the policy of domination followed by the U.S. administration, the Soviet Union has constantly and ceaselessly followed a path seeking to curb the Israeli aggressor, to establish a just and firm peace in the Middle East and to guarantee the security of all of the area's peoples and countries. The two issues of a Middle East settlement and of assistance to the Arab peoples victimized by the Israeli aggression have occupied an important place in the activities of the Soviet Communist Party's (CPSU) congresses, in the plenary sessions of its Central Committee, in the sessions of the Political Bureau of the CPSU Central Committee and in the practical efforts of Soviet diplomats. The struggle to establish justice and the principles of international law in the Middle East is one of the main elements in the Soviet peace program presented and then developed by the 24th, 25th and 26th Congresses of the Soviet Communist Party. All know the major importance Leonid Brezhnev attached to these issues.

Immediately after Brezhnev's death, the CPSU Central Committee stressed in November 1982 the Soviet Union's resolve to continue to advance assistance to the peoples struggling against imperialism, neocolonialism, racism and Zionism. In this respect, Yuriy Andropov, general secretary of the CPSU Central Committee, noted in his address to the Central Committee plenum that "solidarity with the countries that have been liberated from the yoke of colonialism and with the countries defending their independence has been and continues to be one of the fundamental principles of Soviet foreign policy."

Moscow and Seven-Member Committee

At the meeting held in Moscow on 3 December 1982 between the Soviet leaders and the delegation of the Arab Seven-Member Committee, headed by King Husayn of Jordan, Yuriy Andropov underlined the Soviet Union's constant course on Middle East affairs, assuring his visitors that the Soviet Union has stood and will always stand with the just cause of the Arab peoples and with their struggle against the Israeli aggression and for their freedom and peace and the establishment of a just peace in the Middle East.

During the meeting, it was noted with satisfaction that the Soviet Union's position vis-a-vis the comprehensive Middle East peace settlement and the principles of this settlement as approved by the 12th Arab summit in Fez are practically identical, thus providing a real possibility for a large-scale coordination of efforts between the Soviet Union and the Arab countries on the issue of establishing genuine peace in the area.

The Warsaw Pact member states fully share the Soviet position concerning a Middle East settlement. At the January 1983 Prague meeting of the Political Advisory Committee of the Warsaw Pact member states, the leaders of the socialist countries firmly condemned Israel's aggression against Lebanon and against the Palestinian and Lebanese peoples and the brutal annihilation of the civilian population of West Beirut. Participants in the meeting demanded immediate withdrawal of the Israeli forces from Lebanon and establishment of the independence, sovereignty, unity and inviolability of this country's territory. They also expressed their positive stand toward the general Arab plan formulated by the Fez summit for a Middle East settlement and reaffirmed their commitment to the principles of establishing a just peace in the Middle East--principles included in the Soviet program.

Soviet Settlement Program

The program projected by the Soviet Union for a peaceful Middle East settlement reviews in detail the firm and persistent course of the Soviet Union's policy in the Middle East. The goals of this program are summed up in removal of the cancerous tumor of the Israeli aggression and a curb on the savage occupiers.

The first provision of the Soviet program notes the need for strict adherence to the principle of the impermissibility of using aggression to occupy the territory of others. This means that the Israeli aggressors have to withdraw unconditionally from all Arab territories occupied since 1967 and that the borders between Israeli and its Arab neighbors must be firmly delineated, i.e., must constitute an impenetrable barrier in the face of the expansionist Israelis.

The second provision of the Soviet program states that the main condition for a Middle East settlement lies in practical guarantees of the Arab Palestinian people's right to self-determination and to establishing their independent state on the Palestinian territories to be liberated from the Israeli occupation, especially the West Bank and Gaza Strip. This Soviet demand is based on the clear-cut resolutions adopted by the U.N. General Assembly. But Israel, which enjoys boundless U.S. political, diplomatic, financial and military support, has not implemented any of the resolutions pertaining to the Palestinian issue. In this respect, we can assert that while Washington, like Tel Aviv, rejects the Palestinians' right to establish their state, it puts the legal basis of the presence of Israel itself under suspicion.

The Soviet Union, like most countries of the world, proceeds on the premise that the PLO is the sole legitimate representative of the Palestinian people. Within the framework of the contacts between the CPSU Central Committee and the USSR Supreme Soviet Presidium on the one hand and the PLO on the other, especially the latest meeting in Moscow between the Soviet leaders and brother Abu 'Ammar, it has been stressed that the Soviet Union will struggle with utter determination and persistence so that the Arab Palestinian people may restore their firm right to self-determination and to building their independent state under the leadership of the PLO, their fighting vanguard and their sole legitimate representative.

Jerusalem Is Part of Palestinian State

The Soviet program also stipulates that East Jerusalem, which was occupied by Israel in 1967 and which contains one of the main holy places of Islam, be restored to the Arabs and become an indivisible part of the Palestinian state. Moscow firmly condemns the policy of the "Judaization" of the eastern sector of the holy city and the Israeli occupation authorities' suppression of the Arab Muslim and Christian inhabitants of the city. The Soviet Union believes that it is necessary to guarantee freedom of access to the holy places in Jerusalem to followers of all three religions. It is well-known that Israel is obstructing such access.

The Soviet program (provisions 4 and 5) underlines the need to guarantee the right of all Middle East countries, including the Palestinian state, to security and to independent existence and development and the need to end the state of war and to establish peace between the Arab countries and Israel. The program notes in this respect that it is impossible to guarantee the security of one group of countries by undermining the security of another group. Israel cannot demand unilateral gains, disregarding the Arab countries' legitimate rights. However, Israel has resorted throughout the years of its existence to expanding its territory at the expense of the neighboring Arab countries under the pretext of insuring "its security." Under the same pretext, Israel has been ceaselessly establishing in the occupied Arab territories advance positions and paramilitary settlements, thus implementing the policy of "encroaching usurpation."

The sixth provision of the Soviet program raises the issue of the international guarantees for a Middle East settlement. Whereas Washington thinks that it is the sole "peace maker" and peace guarantor in the Middle East, the Soviet Union is struggling so that the permanent members of the U.N. Security Council or the Security Council in its entirety may guarantee a peaceful settlement in this area.

This is precisely the settlement path sought by the Soviet proposal submitted by the 26th CPSU Congress for holding an international conference on the Middle East. The PLO, in addition to the other parties concerned, must participate in all efforts seeking to establish a just and secure peace in the Middle East.

The Soviet principles for solving the Middle East issues are characterized by being constructive, realistic and responsive to the **general** rules of international law and to the tangible resolutions of the United Nations and, more significantly, to the Arab peoples' interests.

U.S. official circles and the press working on their instructions are trying everything to diminish the importance of the principles proposed by the Soviet Union to achieve a just and secure peace in the Middle East and, at the same time, actively to sell the so-called "Reagan plan."

Washington and Splitting of Arab Ranks

But true Arab nationalists share the opinion expressed by Yuriy Andropov at the meeting with the Seven-Member Committee delegation, namely, the opinion that the proposals made by the United States on the Middle East in September 1982 seek to split the Arab ranks and to impose on the Arab countries solutions convenient only for Israel and the United States--solutions which, to start with, obstruct creation of an independent Palestinian state. At the same time, the Arab countries note with gratitude that the Soviet peace program is compatible with the Arab Palestinian people's national demands and reinforces the Middle East settlement plan approved by the 12th Arab summit in Fez.

The participants in the Palestinian National Council's 16th session, recently concluded in Algiers, greatly appreciated the Soviet proposals on the Middle East, which reaffirm the Arab Palestinian people's firm rights. The participants expressed their support for these proposals. The Palestinian National Council also greatly appreciated the position of the socialist bloc countries toward the just Palestinian cause. This position was reflected in the Prague declaration, which was approved by the Warsaw Pack member states on 5 January 1983.

Practically, "Reagan's plan" has, despite the efforts being exerted by Washington, raised a dilemma. This has been quite evident, especially in the wake of the outcome of the Palestinian National Council's 16th session and of the Jordanian-Palestinian talks. Moreover, the sabotage activity in which the Americans have been engaging in Arab circles with the aim of undermining the Soviet Union's influence in the Middle East has not produced the desired results. Provisions 7 & 8 of the principles of the Fez plan for a Middle East settlement, which demand guarantees for the area's peace from the U.N. Security Council, make it conditional that the Soviet Union participate in Middle East affairs and in the peace settlement.

In the Soviet Union, the withdrawal of the Israeli occupation forces from Lebanon is considered a task that cannot be delayed. This is why the Soviet Union supports the steps being taken by the Lebanese Government in accordance with the resolutions of the 12th Arab summit in Fez to restore the inviolability of its territories.

At the same time, the Soviet Union sees that one of the reasons for Israel's intransigence and its failure to withdraw from Lebanon is that Washington does not desire such withdrawal because the Israeli forces' presence in Lebanon justifies the increasing number of U.S. military forces present there.

Washington's and Tel Aviv's Objectives in Lebanon

Turning Lebanon into a strategic military bridgehead for Washington and Tel Aviv is compatible with the schemes of U.S. imperialism and world Zionism, which seek expansion. The Pentagon has planted its feet firmly in the Sinai and in Egypt, has set up a network of bases in the Indian Ocean and adjacent areas and has set up a Central Command--Centcom--for U.S. forces targeted against 19 countries in Asia and Africa. And here is the Pentagon hoping now that Lebanese territory will come under its control. There is frank talk in Washington on the need to transform Lebanon into a "second Egypt." To achieve this particular objective, U.S. diplomacy is exerting maximum efforts to bring about the so-called "normalization" of relations between Lebanon and Israel. They [Americans] are trying to deal with the relations between Lebanon and Israel as they dealt at Camp David with the relations between Egypt and Israel, namely in isolation from a Middle East settlement and, primarily, in isolation from a just solution to the main issue in this settlement--the Palestinian issue.

The U.S.-Israeli schemes are likely to mean encroachment on Lebanon's sovereignty and the unity of its territory. They are also likely to transform Lebanon into a U.S.-Israeli hostage, into a theater of military operations against Syria, Lebanon's neighbor, and into a center of constant tension in this area, which is charged with the danger of explosion.

Putting an end to such a development is a task that cannot be delayed. The Soviet Union will work to solve the problem on the basis of its program--a program for establishing peace, justice and international legitimacy in the Middle East.

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CSO: 4404/385

ARAB OIL CONSUMPTION PATTERNS ANALYZED

Paris AL-MUSTAQBAL in Arabic No 326, 21 May 83 pp 51-52

[Article: "United Arab Economic Report: Arab Oil Consumption Will Reach Production Level in Year 2000; If Arabs Continue Consuming Same Volume of Energy as at Present, Consequences Will Be Grave; Report Proposes Plan to Avert Dangers"]

[Text] Energy consumption in the Arab countries is growing at an annual rate of 13.5 percent, which is the highest in the world. Should this growth continue, the Arab countries will not find any oil to export in a few years.

This is what the 1982 unified economic report, prepared by the Arab League General Secretariat in participation with the Arab Monetary Fund, the Arab Economic and Social Development Fund and the OAPEC [Organization of Arab Oil Exporting Countries], warns against.

The report says that the commercial consumption of energy in the Arab world has risen sharply in the past decade. Whereas the Arab countries' oil consumption amounted to the equivalent of 34 million tons of oil in 1970, this consumption rose to more than the equivalent of 121 million tons of oil in 1980, i.e. with a growth of 3.6 times [over 1970] and at an annual rate of 13.5 percent, compared to a growth rate of 4.2 percent for the rest of the world. However, the annual consumption growth rates have varied from one Arab group to another. Whereas the growth in the oil producing countries has amounted to 17.7 percent [annually], it reached nearly 10 percent in the middle-income countries and nearly 4.7 percent in the low-income countries.

Despite this, the report says that the Arab per capita consumption of energy is still much lower than the per capita consumption in the industrial countries, with the Arab per capita consumption amounting to 757 kilograms, compared to an international per capita consumption of 1,579 kilograms and a per capita consumption of 4,606 kilograms in the industrial countries.

The energy consumption level varies sharply in the Arab countries. Whereas the per capita consumption in Sudan has amounted to 73 kilograms, this same consumption has amounted to 8,754 kilograms in Qatar.

To be specific, the Arab oil producing countries (excluding Egypt) consumed 73 percent of the total energy consumed in the Arab world in 1980 while containing only 33 percent of the Arab world population.

The report warns that the high energy consumption growth rate poses a great danger for the rapid depletion of the energy available to the Arab world, considering that continued consumption growth at the same level means that the consumption will reach 430 million tons or 8.7 million barrels daily. The situation becomes more serious if we take into consideration the developments occurring since 1973. The rise in world energy prices in the wake of these developments has led to a clear change in the world's energy consumption growth tendencies, especially in the industrial countries. The world consumption growth rate dropped from 5.5 percent in the 1968-73 period to 2.2 percent in the 1974-80 period whereas the consumption growth in the Arab countries has not been affected since 1973. Rather, this rate has grown in numerous Arab countries because of increased income and because the rise in international energy prices has not been fully reflected in these countries' local prices.

The report says that the agriculture sector consumes 3.8 percent, the industry sector 48 percent, the transportation sector 28 percent, the residential sector 18.1 percent and the other sectors 2.1 percent.

But in the countries where these resources are available, such as the Kingdom of Saudi Arabia, Iraq and Kuwait, we find that industry's share of consumption is high in comparison to the other sectors, with this sector's consumption constituting 65 percent of Saudi Arabia's total energy consumption by virtue of the high energy consumption in the oil and gas drilling sector and in the oil and petrochemical industries. Moreover, electric power generation is considered a part of the industrial sector's activities. In the countries where such resources are not available (such as Jordan), the transportation sector is the highest consumer of energy.

The report describes Syria as the most balanced in energy consumption, considering that agriculture's share amounts to 20.6 percent of the total consumption, industry's share eight percent, transportation 29 percent and residential consumption 42 percent.

The report makes two assumptions concerning the developments in the Arab world's energy consumption. In case the prices of oil derivatives maintain their 1970-79 level, this world's oil consumption will amount to 3.5 million barrels daily in 1985, to nearly 5.2 million barrels in 1990 and to nearly 10.8 million barrels in the year 2000.

But if the prices of the derivatives rise at the same pace of the inflation rates, the consumption will amount to nearly 3 million barrels daily in 1985, to 3.8 million barrels daily in 1990 and to nearly 5.9 million barrels daily in the year 2000.

The report concludes by saying that Arab world energy demand will amount to nearly 11 million barrels daily in the year 2000, i.e. to more than what the Arab countries produce at present, if the factors influencing consumption,

especially prices, maintain their previous tendencies, adding that the impact of price on consumption is a heavy impact. Raising the price at modest rates compatible with the inflation rates will have a major cumulative impact in the future--an impact that will lead to reducing the expected demand for energy by nearly 5 million barrels daily.

The report touches on the levels of the prices of oil derivatives in the Arab world, saying that they have not risen by the same international rates but that, rather, they have dropped considerably at a time when the incomes have risen. The credit for this goes to the policy of maintaining the prices of these derivatives unchanged. When the Arab governments decided to raise these prices, they jacked up the prices at high rates. We find that the prices in Lebanon remained constant from 1970 to 1979 and then rose in 1980 by more than 200 percent.

Despite the recent increases developing in the prices of derivatives, these prices in 16 Arab countries are lower than the prices in Europe.

The report proposes the following:

1. That the Arab countries begin raising their local energy prices gradually, especially the countries where these prices are characterized by being low. Beginning this increase is considered urgent in order to avoid rapid price leaps in the future in view of the likely negative impact of such a step on the national economy.
2. Price as a consumption curb must be applied with great caution. The priorities for developing the various economic sectors must be taken into consideration. Consideration must also be given to the attempt to prevent the negative effects on society's poor sectors.

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CSO: 4404/392

INTERNATIONAL AFFAIRS

BRIEFS

ANTI-IRAQI OPERATIONS--Iraq--The nationalist and democratic forces have intensified their attacks against the elements of the Iraqi regime and inflicted grave material and human losses. Reports said that a landmine planted by the Iraqi revolutionaries in northern Iraq exploded under a military vehicle last week, killing eight of the regime's mercenaries. Reports quoted informed sources as saying that on 11 June, the revolutionaries attacked a military establishment in the (Ban Jivan) region in northern Iraq. The attack resulted in the destruction of the establishment and in the killing of 12 officers and soldiers of Saddam Husayn's henchmen. The sources added that last Sunday in the same region, the revolutionaries managed to capture a member of the Iraqi regime's symbols. [Text] [JN131736 Damascus Domestic Service in Arabic 1515 GMT 13 Jun 83]

GULF ECONOMIC ACTIVITIES IN OMAN--Qays 'Abd al-Mun'im al-Zawawi, Omani deputy prime minister for financial and economic affairs, has issued a ministerial decree allowing the GCC citizens to practice economic activities in the Sultanate of Oman in the fields of industry, agriculture, animal resources, fishery resources and contracting. [Excerpts] [Doha QNA in Arabic 1340 GMT 11 Jun 83]

CSO: 4400/370

CURRENT, FUTURE STATUS OF EGYPTIAN EXPATRIATE LABOR EXAMINED

No Changes Predicted for Future

Cairo AL-AHRAM AL-IQTISADI in Arabic No 747, 9 May 83 pp 8-12

[Interview with Mr Sa'd Muhammad Ahmad, minister of manpower by Mustafa Imam and Jamal Ziyadah; place and date not given]

[Text] Minister of Manpower Sa'd Muhammad Ahmad expects Egyptian workers to replace Asian workers. Under the worst possible conditions the minister does not expect the number of Egyptian workers in Arab oil countries to be reduced. The minister says that published estimates of the number of Egyptian workers abroad are approximate but not accurate.

The gist of the interview with Mr Sa'd Muhammad Ahmad, minister of manpower is this: he is optimistic, or rather very optimistic.

The minister thinks that the decline in oil prices and the decline in the volume of investments in Arab oil countries will not reduce demand for Egyptian labor. Quite the contrary, if demand for Egyptian labor does not increase, it will remain at its present level.

The minister's optimism is based on several considerations: some of them are objective, and others are personal. What I mean is that [the minister's optimism] is the result of his personal contacts with a number of officials in the Gulf states.

In this lengthy interview that AL-AHRAM AL-IQTISADI conducted with him, the minister of manpower reveals details and new information about his future expectations for Egyptian labor in Arab oil countries.

The minister also reveals new information about his attempts to set up controls [to ensure] that Egyptian workers leaving the country do so in an honorable manner that would protect their dignity. [In this interview] the minister speaks about the success of some of these attempts and the reasons why other attempts failed.

[Question] The first of the projections that have been made so far about the future employment of Egyptian workers in Arab oil countries after oil prices fell and investments declined has been pessimistic. According to that pessimistic projection, demand for labor will fall at least gradually. An optimistic view projects no decline in demand, but finds there are two possibilities. First, demand will remain at its present level; the second possibility is that demand will rise because it is anticipated that reliance on Asian workers will decline in the aftermath of the Gulf Cooperation Council's decision to reduce reliance on Asian workers because of the far-reaching dangers they pose to the political, social and cultural future of the Gulf states. What do you think about these projections?

Demand Will Rather Increase!

[Answer] First of all there is no doubt that the decline in the price of oil has caused oil countries to curtail their development plans. This will undoubtedly reduce the number of workers who would be employed. But the question is this: which workers will be let go? It seems to me that the oil countries will do without the Asian workers. This is the trend in the Gulf states. In fact, I think that the reduction in the price of oil has given the Arab countries an opportunity to get rid of Asian workers whose numbers in those countries have risen. Asian workers represent a threat to the social conditions and traditions of peoples. Arab oil countries will therefore seek the assistance of Arab workers, particularly Egyptian workers, who will replace Asian workers. Consequently, demand for Egyptian workers will not decline. Egyptian workers make up about 20 percent of the total work force in the Gulf states. This is what I expect: if demand for Egyptian workers does not increase in the near future, demand will at least remain at its present level. Furthermore, I have reasonably good relations with some Arab ministers of labor. In a meeting that took place last summer with some ministers of labor in the Gulf states--this was before the official decline in the price of oil--I was told that the trend in the Gulf states was to get rid of Asian workers and to replace them with Arab workers, particularly Egyptian workers. This is because Asian workers are now presenting economic, social and political problems for the region.

Pessimists' Arguments

[Question] It is evident that you favor the optimistic projection, but let me put to you some of the arguments that pessimists make. They think that reliance on Egyptian workers in Arab oil countries will decline at least gradually in the near future. Here in Egypt have we conducted studies to face the possibilities, even long-range possibilities, that some of the Egyptian workers will return?

[Answer] This is a complex subject. The Ministry of Manpower, however, must take precautions for such a situation. Even though the minister of planning says that the plan is flexible and will accommodate the return of Egyptians working in Arab countries, we must take precautions. I think that if 100,000 Egyptian citizens were to leave the country to work abroad, they would represent a national resource. If this resource is well utilized, its returns will not be less than the returns from oil. Evidence for this lies in the fact that returns from oil exports amount to 2 billion dollars annually; total cash remittances and goods of material value brought by Egyptians into the country amount to 2 billion dollars.

Precaution Is Essential

[Question] But what precautions do you think should be taken in case some Egyptian workers return?

[Answer] We have a shortage of skilled, trained workers. Most of our expatriate technical workers are highly trained, and, consequently, there will be no problem. But as I said, if there is no demand for more Egyptian workers, Egyptian workers abroad will not return. You can quote me on this. I am optimistic, and my optimism is logical.

[Question] Do we have estimates in Egypt of the number of Egyptians who left the country and what kind of technical workers they are?

[Answer] Estimates about the number of Egyptians [who left the country] are not quite accurate. But the number of Egyptians working abroad does not exceed 2.5 million. As far as their professions are concerned, that information too is not accurate because many people leave the country without an exit visa, and they change their professions. However, the professions of the vast majority of Egyptians abroad have been identified through our labor offices in Arab countries.

Our Offices Are Studying the Situation

[Question] Do you think that a study is required to make the situation perfectly clear so that possibilities can be set forth on the basis of an integrated study?

[Answer] Our offices in the Arab countries are currently conducting a study of the situation. But the expectations that I mentioned to you are the result of previous contacts made with some officials in those countries. They are based on a determination of the ratio of Egyptian workers to that of foreign workers in those countries, and also on our preliminary estimates of the expected reduction ratio in the employment of these workers and the kind of workers who will be let go, which as I said will be the Asian workers and not Egyptian workers.

The Skill of Egyptian Workers

[Question] There are studies that affirm that the standard of skills of Asian workers is higher than that of Egyptian and Arab workers in general. Don't you think that the skills standard of workers plays a role in determining a preference for those workers who will stay employed in the execution of projects in Arab countries?

[Answer] There is no doubt that Egyptian workers are superior and that they are intelligent. Unlike workers of many [other] nationalities Egyptian workers learn quickly. Evidence for this lies in the fact that no one has yet expressed any doubts about the skills standard of Egyptian workers. What happens, however, is that some Egyptians who travel become engaged in work other than that for which they have been trained. They obtain a certificate of experience from a private sector organization and with that certificate they apply for and receive an identity card and then a passport. To eliminate this phenomenon we made an agreement with the Ministry of the Interior that no change was to be made in a person's profession as recorded in the civil register because of a certificate of

experience issued by the private sector until a worker is subjected to an examination by a Workers' Skill Standard Measurement Committee. These committees would test workers' skills to determine their knowledge of a profession. Twelve committees have been established in the various governorates, and more of these committees will be established.

The Best Worker

[Question] Egyptian workers abroad are being criticized for having conventional skills and for not having acquired new and advanced skills in accordance with modern developments in technology. What do you think about that?

[Answer] This is not the fault of Egyptian workers. This argument does not detract from the skills standard of Egyptian workers. Let me say this: you can put the best textile workers in countries like Japan, West Germany, Britain or the United States on old textile machines, and they won't be able to operate them. Egyptian workers, however, will operate these machines and will produce. They will also repair those machines. Evidence for this lies in the fact that there is growing demand for Egyptian textile workers in a country like Greece. As far as modern technology is concerned, it seems to me that we in Egypt cannot introduce very advanced technologies that would reduce reliance on workers because this would mean that we would do without a large number of workers, and this is objectionable. As far as training is concerned, we lagged behind in that area. Training was neglected for years because no funds were allocated for it. The result has been a shortage in trained workers. This year, however--and this is the first year this is being done--the sum of 50 million pounds has been allocated for training: 4 million pounds for administrative training and the rest for training non-professional draftees during the period of their military service. The armed forces has received 16 million pounds to implement this plan. An agreement has also been made with different ministries such as industry, reconstruction and petroleum to carry out these training courses.

In general, the problem of the shortage in technical workers is basically due to the fact that development plans have been suspended and education is not tied to the needs of the labor market. Under the current 5-Year Plan, which is a long-term plan, we are finding out about economic expansions in the future, and we are determining our manpower needs accordingly. We have to link education with those needs so that this inconsistency would not emerge and we would not have a large number of university graduates entering a market that does not need them while there are shortages in other kinds of labor.

Where Is the Truth?

[Question] Let me go back once again to the published estimates of the numbers of Egyptians working abroad. The discrepancies in those figures are quite considerable. According to some estimates, for example, the number of Egyptians in Saudi Arabia is 400,000; other estimates state they are 800,000. What are the reasons for such discrepancies, and where is the truth?

[Answer] I believe that the number of Egyptians in Saudi Arabia amounts to 400,000 persons. This figure is more realistic. The other figure is exaggerated. In general, these estimates are speculative because there are no controls on the

departure of Egyptians from the country. The rights of citizens to travel abroad and to work are guaranteed by the Constitution. On the other hand, however, the departure of Egyptians who are employees of the government and of the public sector is regulated. Those employees submit applications to their employers who consult with the Office of Experience in the Ministry of Manpower regarding those applications.

The Office of Experience examines a work contract [submitted by an applicant who is a government or a public sector employee] to ascertain that it is a genuine and not a bogus contract and to ascertain that the wage is consistent with wages that are offered in that country. At the same time this method is considered a kind of control exercised by the Ministry of Labor to find out how many people are traveling and who they are. Private sector workers, however, have not been subjected to any control measures until recently. So far the ministry has not been able to control the immigration of private sector workers who are not required by law to obtain the approval of the Ministry of Labor. Even if the Ministry of Labor were to request that a person obtain such an approval, he would simply say that he was traveling for pleasure and not to work. As you know, people now travel without getting a visa from the Ministry of the Interior. Hence, large numbers of workers in the private sector leave the country as tourists, when they are in fact leaving to work [abroad].

Quite frankly there is no general listing of the numbers, kinds and professions of those workers. Travel offices claiming to be tourist offices play a major role in the immigration process. Unfortunately, some of these offices are engaged in white slavery, and they take advantage of Egyptians in the worst possible manner whether these Egyptians are scientific workers, trained technical workers, non-trained workers or farm workers. Egyptians have been subjected to many fraudulent operations. These offices used to collect 1,000 pounds from every Egyptian who wanted to go abroad. They realized enormous fortunes from this, and many regrettable incidents have occurred through these offices. Suffice it to say that these offices used to send representatives to Egyptian villages to recruit farm workers, and to build up their hopes for earning high salaries.

Many ingenuous farmers have been victimized by these offices. Some of them had to sell everything they own--their wives' jewelry and their possessions-- so they can pay the money that the offices asked for. We confronted these fraudulent operations that were being carried out by these offices after ascertaining that Egyptians were actually being subjected to fraudulent operations and were getting bogus work contracts. This was confirmed by our labor offices in the Arab countries. We drafted a bill regulating the recruitment of Egyptians to work abroad. The People's Assembly took a long time to approve this bill because of the opposition we faced in the Assembly. In this bill we tried to protect Egyptian workers from the fraudulent operations that were being carried out by these offices by regulating the business of these offices to ensure earnestness. We stipulated that such offices be licensed by the Ministry of Manpower so that the ministry can ascertain that the proprietor of an office does not have a record or has not been engaged in fraudulent operations. We also stipulated that the proprietor of such an office pay the ministry a bond of 20,000 pounds which the ministry may use to compensate Egyptians who may be victimized by fraudulent operations carried out by these offices. We also stipulated that such an office not receive any payment from Egyptian citizens, but rather from the employers who

are seeking workers. The ministry examines the operations of these offices to ascertain that they conduct their business in a manner that does not harm Egyptian citizens.

[Question] How are permits regulated to ascertain that they are issued regardless of personal whims or interests?

[Answer] There is a high-level committee chaired by a first deputy minister; that committee issues permits. And there is an appeals committee to which the proprietor of an office may submit an appeal in his own defense.

[Question] Do you believe that further measures are needed to regulate travel abroad?

[Answer] I don't believe so, because any other measures will place more burdens on us which we are presently not prepared for. However, there are groups of employees who have been trained to conduct surprise inspections of these offices.

Traveling with a Tourist Passport

[Question] Since this is the case, do you believe that such regulatory measures are to be taken?

[Answer] There are large groups of workers who leave the country with personal work contracts that have nothing to do with the ministry and that also have nothing to do with the travel offices. These are not large groups.

[Question] As far as Jordan and Iraq are concerned, Egyptians travel to these two countries as tourists where they stay for 6 or 8 months to get together a certain amount of money, and then they come back.

[Answer] As you said, these people leave the country to travel as tourists. Unfortunately, some of them do things that hurt the status of Egyptians.

[Question] How do they do that, and what can be done about it? We did call anyway for measures to control this matter. We asked the Ministry of the Interior to issue passports that would be valid for 3 months only to people who want to travel for pleasure, as it does to pilgrims and students. But the Ministry of the Interior turned down this suggestion, arguing that it would be impossible to implement such a measure in light of its current financial and manpower resources. The ministry thought that implementation of this suggestion would require a large agency. Also, quite frankly, some of the major figures [in the ministry] said that issuing a passport for tourist purposes that would be valid for only 3 months would restrict their freedom to travel and to work and travel abroad for pleasure.

Only with Qatar

[Question] Regarding protecting Egyptian workers in Arab countries, does Egypt have agreements with the remaining Arab countries for the protection of Egyptian workers in those countries?

[Answer] I would have liked to talk about such agreements, but Arab disputes have brought everything to a standstill. We had an agreement with Qatar that was renewed annually. Recently, however, it has been semi-frozen, but we will renew it soon. We do not have agreements with the rest of the Arab countries, but I believe that enactment of Law No 119 regarding the recruitment of Egyptians to work abroad began to have its effect on these countries or on employers in those countries. They now come directly to us--the Ministry of Manpower--to ask for workers. We set up a special department for receiving Arab employers and making agreements with them. I sent a delegation to Saudi Arabia, and an agreement was reached to have the Ministry send 8,000 drivers to Saudi Arabia during the pilgrimage season this year. A set of applications from Kuwait and Saudi Arabia has been received: some of them have been dealt with, and others have not yet been settled. It seems to me that as political conditions between Egypt and the Arab countries improve, the ministry will play an active part so that workers can be hired directly through the ministry.

There Is Action

[Question] How are Egyptian workers protected in Arab countries with which we do not have agreements?

[Answer] They are protected. There is a labor office in each Arab country that has a large number of Egyptians. The function of that office is to solve the problems of Egyptian workers.

[Question] However, under current political conditions between Egypt and the remaining Arab countries, do you believe that a labor counselor can act freely so that he can work effectively to protect workers and obtain their rights for them?

[Answer] Egypt has diplomatic missions in all the Arab countries except Syria and Libya. In those delegations there are ambassador level delegations even though the chief of the delegation may not be an official ambassador. At the same time our labor offices are affiliated with these delegations. There is continuing action to eliminate the problems of workers, particularly those that have to do with sponsors. These offices get workers what they are entitled to, and they compensate them in cases of death or injury. When there are problems between workers and employers, the labor counselor contacts officials in those countries to solve those problems. Rest assured, there is action, and it is continuing.

Official Confirms Minister's Projections

Cairo AL-AHRAM AL-IQTISADI in Arabic No 747, 9 May 83 pp 13-15

[Text] Egyptian labor counselor in Saudi Arabia says that demand for Egyptian workers in Arab countries will not decline.

Despite the importance of spreading Egyptian labor offices in Gulf oil countries and in areas where Egyptian workers are settled, this action began only recently. Egypt now has labor offices in Kuwait, Qatar, the United Arab Emirates, Saudi Arabia and Sudan. These offices play an important role [serving] as liaison between the responsible authorities in these countries and Egyptian workers. They solve many of the problems that arise from disputes between workers and

employers; they ensure the rights of Egyptian workers; and they provide them minimum wages. In addition, they prepare studies about Egyptian workers and the demand for them. It is therefore essential that we find out the views of one of the Egyptian labor counselors abroad since he has seen firsthand the work conditions of Egyptians abroad.

'Abd-al-Hamid Bilal, former labor counselor in Saudi Arabia--he served in that capacity for 4 and a half years, since 1978--and director of foreign representation in the Ministry of Manpower says, "Relations between Egypt and the Arab countries were at their best after the October War in 1973 and after relations between Egypt and Arab countries became favorable. Egyptian workers flocked to Arab oil countries. Because of the proximity of Egypt's labor market, Egypt was the principal supplier of that labor. From 1973 to 1978 Arab oil countries received from Egypt the experiences that were required. This flow of Egyptian workers into these markets should have been promptly accompanied by the opening of labor offices in those countries. Unfortunately, however, a labor office was not opened in Saudi Arabia until 1978 when matters became critical. When I took my job in the Egyptian Labor Office in Jeddah, I was surprised by the fact that there were about 80,000 Egyptian workers residing in Saudi Arabia illegally. Some of them had left Egypt to perform the minor pilgrimage or the pilgrimage proper and had stayed behind to look for work. The Saudi government then issued a bulletin to those who had stayed behind: all those who had found employment in Saudi Arabia would have to rectify their status [with the authorities]. They would be given residence if they had entered the country after 1978. However, those who had entered Saudi Arabia before 1977 were to leave the country in 2 months. Egyptian workers waited until the last day of the deadline; they went to the office of Egypt Air; they vandalized the office; and they marched in a demonstration to the Egyptian Embassy in Jeddah.

"I was faced with this problem only 2 months after coming to Saudi Arabia. The embassy or the consulate should have taken measures, made preparations and alerted officials to the gravity of the problem. Unfortunately, what I noticed, however, was that neither the embassy nor the consulate had any estimates of the gravity and dimensions of the problem. I shouldered this responsibility. We had to arrange the departure of between 75,000 and 80,000 Egyptian workers in 24 hours. We had to provide a large number of airplanes and ships, and we had to get a delegation from Egypt Air or officers from the Passport Office [to help us]. We also had to contact Saudi authorities who opened up the facilities and services for pilgrims in Jeddah so that workers could be housed there until their departure. Civil aviation authorities also approved the landing of any number of Egyptian aircraft which came at the rate of one per hour. This large number of workers was transported by airplanes and ships in 15 days. Some Egyptians had tickets, and travel orders were issued to others provided that they pay for their fare upon their return to Egypt.

"This incident was tantamount to an alarm that an open-door policy on travel abroad was an erroneous policy. The wages of Egyptian workers had become the lowest wages as a result of that policy. At that time the average wage for an ordinary worker was 500 riyals, whereas the minimum cost of living was 500 riyals a month.

"This policy had to be reconsidered, and restrictions had to be placed on workers who leave the country under the pretext of performing the minor pilgrimage. The Ministry of the Interior complied, and traveling with a passport issued for the minor pilgrimage was prohibited. Then the ministry went back and allowed travel with such a passport. As a result [of the ministry's restriction] the number of people who would go to Saudi Arabia to perform the minor pilgrimage and stay behind declined. Since that date Saudi authorities have established an agency for deporting foreigners who stay behind. This agency has been operating since 1979.

"As a result of the controls placed by the Ministry of the Interior on the departure of people who leave to perform the minor pilgrimage, and because of the intense media campaign that was launched by the Ministry of Manpower the number of Egyptians who stayed behind in Saudi Arabia after performing the minor pilgrimage declined from 75,000 in 1978 to 23,000 in 1979; to 8,000 in 1980; to 5,000 in 1981; and to 3,000 in 1982.

"One of the most important problems encountered by the labor office in Jeddah was that of low wages for Egyptians working in Saudi Arabia. Ordinary workers earned between 400 and 500 riyals in wages, whereas those wages in the market were between 1,000 and 1,500 riyals. Nurses were earning 250 riyals, whereas their wages in the market were no less than 800 riyals. Domestic workers earned between 50 and 60 Egyptian pounds, whereas their wages in the Saudi labor market were between 700 and 1,000 riyals. Hence arises the question: how can this problem be faced? It was necessary to conduct a field study about the standards of living and the standards of wages. This study covered all professions: those with university degrees; administrative professions; ordinary workers; construction professions; domestic workers; and physicians or pharmacists in the private sector.

One of the most important features of the study was how paltry the wages of Egyptians were because there was no control over the contracts made by those workers, and there were also unfair punitive conditions in their contracts, such as monetary fines for those who do not complete the term of the contract.

"The study concluded with a determination of the wages that Egyptian workers should contract for, the ordinary conditions for a contract and the standards of living and of wages. An agreement was reached between the labor office and then Egyptian Consul Hasan al-Junaydi: contracts would not be ratified unless the labor office reviews the conditions of those contracts regarding wages and other matters. We began contacting businessmen for the purpose of amending the conditions of contracts. None of the businessmen rejected amending those contracts. We contacted the Chamber of Commerce to convince Chamber members about the new rates for wages, but some businessmen began disregarding the Egyptian labor office in Saudi Arabia and ratifying the contracts directly in the Egyptian Ministry of Foreign Affairs in Cairo.

"In 1979 large numbers of Egyptians came to Saudi Arabia with forged visas. Then Law No 119 for 1982 was issued regulating the recruitment of Egyptian workers to work abroad. We took part in drafting this law, and we had several objectives in doing so, namely to regulate the departure of Egyptians abroad so that only those who are not needed in the labor market would leave. This is based on the fact that the Constitution stipulated that citizens have the freedom to travel and to immigrate, provided that regulatory principles are observed.

Local Employment and Expatriate Workers in Principal Arab Countries Importing Workers in 2 Years: 1975 and 1985
(Low and High Rates of Growth) (in Thousands)

Citizenship	Jordanians	Tunisians	Sudanese	Syrians	Omanis	Lebanese	Egyptians	Yemenis	Yemenis Total
								(South)	(North)
1975									
Local employment of citizens	207	1,599	3,674	1,741	89	522	9,070	311	1,033
People employed abroad	139	29	26	38	31	23	335	46	329
Percentage of the labor force abroad	40.2	1.8	0.7	2.1	25.8	5.0	3.7	12.9	24.1
Percentage quota for Arabs abroad ¹	13.6	2.8	2.6	3.7	3.0	2.9	34.6	4.5	32.3
1985									
High Rates of Economic Growth									
Local employment of citizens	413	2,122	3,704	2,311	150	587	12,127	439	1,155
People employed abroad	257	63	88	96	46	70	712	85	401
Percentage of Arabs abroad	38.3	2.9	2.2	4	23.4	10.6	5.5	16.2	25.8
Percentage quota of Arabs abroad	14.1	3.5	4.8	5.3	2.5	3.8	39.2	4.7	22.1
Low Rates of Economic Growth									
Local employment of citizens	385	1,914	3,361	1,936	151	587	11,154	354	1,087
People employed abroad	267	62.2	79.9	91.8	44.6	71.7	616.9	80.9	381
Percentage of the labor force abroad ²	41	3.1	2.3	4.5	22.8	10.9	5.2	18.6	25.9
Percentage quota for Arabs abroad	15.7	3.7	4.7	5.4	2.6	4.2	36.4	4.8	22.5
									100

1. Excluding Iraqis, Mauritians and Somalis.

2. Excluding surplus workers inside the country.

Source: A Study on the International Migration of Workers in the Arab Homeland, by Isma'il Siraj al-Din et al.

Approximate Comprehensive Statistics about the Latest Census of Egyptian Communities in Arab Countries in 1982

The countries in sequence	The number	The percentage
1. Iraq	1,250,000	42.2
2. Saudi Arabia	800,000	27.0
3. Libya	300,000	10.0
4. Kuwait	200,000	6.8
5. The United Arab Emirates	150,000	5.1
6. Jordan	125,000	4.2
7. Algeria	35,000	1.2
8. Qatar	25,000	0.8
9. Sudan*	20,000	0.7
10. Syria	15,000	0.5
11. North Yemen	12,000	0.4
12. The Sultanate of Oman	11,500	0.4
13. Morocco	11,500	0.4
14. Bahrain	6,000	0.2
15. Somalia	500	---
16. Lebanon	500	---
17. Mauritania	120	---
18. Tunisia	100	---
Total	2,962,220	100.0

* Most of them have dual citizenship.

Source: The Ministry of Foreign Affairs, Department of Immigration Affairs

"Another objective [of the law] also was to abolish the travel offices so that the departure of workers would take place through the Ministry of Manpower.

I told Mr 'Abd-al-Hamid Bilal, "Based on your experience and on the fact that you've had firsthand experience with Egyptian workers in Saudi Arabia for 4 and a half years, what do you expect will be the demand for Egyptian workers in Saudi Arabia and in the remaining Arab oil countries?"

He said, "The demand for Egyptian workers will not change for several reasons. One of them is that an employer looks at the process of getting workers from an economic standpoint, regarding the wages of that worker and the cost of his travel at the beginning of the contract term and at the end. That demand for Egyptian workers will continue is confirmed by the fact that travel costs from the Philippines to Jeddah are 5,000 riyals, whereas a ticket by ship from Egypt to Jeddah costs 350 Saudi riyals, and an airplane ticket costs 156 Egyptian pounds. In addition, Egyptians abroad do not discuss politics and do not bring with them undesirable social customs as is the case with Koreans, Indians and others. Saudi authorities had begun placing restrictions on the procurement of workers late in 1981. However, after Egypt adopted its wise policy [on expatriate labor] early in 1982, Saudi Arabia relaxed those measures; this would encourage businessmen to procure workers from Egypt. According to the development plans that were made in 1981, Saudis needed large numbers of Egyptians to work in farming and to operate machinery and construction equipment. However, the new change that occurred--the decline in oil prices and the reduction in oil

production--has created a budget deficit of 20 billion dollars in 1982-1983. This will be followed by a curtailment of development plans. Priority will be given to projects where considerable progress has been made, such as the al-Jubayl and Yanbu' complex, which is an integrated industrial complex. The ambitious plan in the agricultural sector will also be curtailed. This will be followed by a decline in demand for foreign workers in Arab oil countries. It is not expected that the impact on Egyptian workers will be serious, and demand is not expected to be seriously affected because the conference of the ministers of labor of the countries of the Gulf Cooperation Council made a decision to let Asian workers go gradually and to replace them with Arab workers, particularly Egyptian workers."

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AL-AHALI REVIEWS FIRST YEAR OF REPUBLICATION

Cairo AL-AHALI in Arabic 18 May 83 p 3

[Article: "AL-AHALI: One Full Year after Republication; a Newspaper for Those Who Await the Dawn"]

[Text] We suddenly realized some time last week that AL-AHALI had completed the first year since its republication. That year began with the publication of issue number 32 on 19 May 1982.

We had found no time in the rush of work to light a candle, to exchange congratulations or to rest for a moment. Publishing an opposition newspaper in a country like Egypt means not only being involved in looking for trouble; it also means trouble.

Preparations for resuming the publication of AL-AHALI did not begin, as some people think, after the platform incident. There was no waiting, contrary to what others were saying, for anyone to give the green light for the republication of AL-AHALI. We were making preparations to resume publication of the newspaper in October 1981, and we actually did publish a trial issue on 19 August 1981. We knew that resuming the publication of AL-AHALI under the late president was going to be a struggle that would begin and not end with the confiscation of the newspaper. Nevertheless, we were willing to take the risk.

But the former president spared himself and us the trouble. Before we published the second trial issue, the September 1981 measures were announced. Not only did these measures forestall the republication of AL-AHALI, they also shut down the opposition newspapers that were being published then. And so it was that AL-SHA'B, AL-DA'WAH, AL-I'TISAM, AL-MUKHTAR AL-ISLAMI, AL-MAWQIF AL-'ARABI, WATANI and AL-KARAZAH [met the same fate] that AL-AHALI had met when it was published the first time. The outcome of that was the end of al-Sadat's rule on 6 October 1981.

Mubarak: a Guest of Honor

It is no secret that we were not optimistic as we made the preparations for publishing AL-AHALI. We were not optimistic before the events of September or after the platform incident; we did not expect to last a full year. We knew from the beginning that there was a large group of people in Egypt who did not tolerate criticism and who hated any opposition. We knew that there were people in Egypt

whose interests and objectives would be realized only when silence and darkness prevail so they can have a free hand in the country as bats do among the ruins.

Because it is a virtue to give credit where credit is due, we acknowledge that President Mubarak, despite any other differences we have with him, has not yet allowed those bats [to have their way]. Ever since the first day of our return they have been trying to take away our right to speak. We think the president's intelligent advisers correctly evaluated what had happened during the term of the late president. They discovered that the stability of government in Egypt was contingent upon many things, chiefly that people have the right to express their opinions about the policies of their homeland.

It is unfortunate that the rush of work is preventing us from celebrating the first anniversary of the republication of AL-AHALI. If we had the time to celebrate, Husni Mubarak would have been the guest of honor at that celebration.

Modest Weapons

Preparations for resuming the publication of AL-AHALI were not easy. We had to weigh numerous practical, intellectual and professional considerations. We are published by a party whose decisions [are subject to] a program, to bylaws and to a charter. Before it is published the newspaper has to go through several channels. The publication of a newspaper is not an easy process, [especially] at a time when journalism has become a complex industry. Furthermore, our ambition went beyond merely preserving the professional and political standard that was achieved by the first publication of the newspaper. We dreamed about developing the newspaper and taking it into areas that it would have reached had it not been for the actions of al-Nabawi Isma'il to confiscate the newspaper and the rulings of Anwar Abu Sahli, whose legal opinions were written by 'Uthman Ahmad 'Uthman and Anwar al-Sadat.

We wanted to establish a balance between commentaries and news reports, between partisan and national journalism, between earnestness and elegance, between depth and simplicity and between commitment and the ability to reach the broadest masses. All these were balancing acts that would be difficult for a newspaper to achieve when conditions are settled, not to mention a newspaper that was being published in a stormy climate. People who had something to gain, people whose records were not clean, liars and predators ganged up against the newspaper which published only 31 issues in 5 years; over one third of them were confiscated.

But this did not dissuade us from our dreams. We realized that Egypt had a treasury of creative journalistic talents who had become fed up with the prevailing climate in the official press and wanted to make something new. We realized that there were many talents in Egypt that were not being utilized in the government's newspapers and that they were being stifled. Then there was the young generation, and we felt that it was our duty to save young people from the [state of] siege and annihilation they were being subjected to when they begin their careers in newspapers that teach them how to become hypocrites; how to write what they do not believe; and how to turn journalism from a mission to a trade and from a position to a job.

There was also a long legacy of outstanding journalistic experiences by nationalist and leftist journalists. AL-TA'IF, which was published by 'Abdallah

al-Nadim in 1881, was not the first of these newspapers; nor was AL-MISA', which was published by Khalid Muhi al-Din in 1956, the last. These were newspapers that achieved the difficult balancing act and broke through the siege imposed on the press by yellow journalism. These newspapers proved that people can read newspapers that discuss the poor, the tormented and the oppressed and do prefer them to newspapers providing bedroom fare and news of "la dolce vita."

It was with these weapons, which seemed modest to some, that we began making preparations for publishing AL-AHALI. We dreamed of rejuvenating the national press in Egypt; and we dreamed of creating a new reader who would be armed with a new awareness to build a new country.

People's Piasters

There was another problem: that of resources. Our party is a poor party funded by membership dues and contributions made by members, the vast majority of whom are farmers, workers, junior civil servants and nationalist intellectuals who earn their living by the sweat of their brows. Furthermore, the battle with al-Sadat's regime had depleted much of the energy. The simplest thing was that al-Nabawi Isma'il attacked our central office 6 times in 1 year. Each time he would confiscate modest offset printing machines and typewriters that cost 5,000 pounds. After each raid we would issue a call for contributions, and with the piasters we collected from workers and farmers and the contributions of friends and sympathizers we would buy new machines. We would use these machines to publish one or two issues of our publication AL-TAQADDUM, which replaced AL-AHALI after that publication was no longer being published. Then al-Sadat and al-Nabawi would resume the war of attrition: they would confiscate the machines, and we would then go back to raising funds and so on.

It was natural for AL-AHALI to turn to the people to raise funds that are necessary for its publication. In a few days a huge fund-raising campaign began, and the objective was to raise 50,000 pounds: in piasters, five piasters, pounds and hundreds of pounds. Workers, farmers, homemakers, university professors, journalists, intellectuals and political leaders volunteered to work in that fund-raising campaign which was not restricted to party members. We do not publish our paper for the party only, but we publish it for the entire country. Thus people of all tendencies, all parties and organizations, workers who have no surplus, former ministers and prominent journalists took part in raising the funds and making contributions. In fact, an Egyptian citizen living in Europe sent us a check for 30 dollars drawn on Nasir Bank. If we had not found out about this by chance, we would not have known about it.

In a matter of weeks the experience proved that people want to have a newspaper that voices their concerns even if they had to finance it with their piasters which in less than 1 month amounted to 50,000 pounds.

Despite all the difficulties we began the countdown for publication of AL-AHALI. We assumed that the preliminary date for publication would be 5 May 1982. On the 1st of March 1982 the General Secretariat approved two important documents. The first was a document on the political direction of AL-AHALI, and the second was its charter. On 8 March the General Secretariat selected a board of directors for AL-AHALI, and the board began a series of meetings during which it completed

laying down the principal guidelines for operations, and it selected an editorial board from a number of journalists who are members and friends of the party. Editorial and administrative departments began holding their meetings and making their plans for operations.

An Opposition Newspaper for All Nationalists

The document on AL-AHALI's political direction determined the principles by which the board of directors and the editorial board were to abide in their work. These principles were set in seven basic points:

--AL-AHALI is a party newspaper that gives public opinion a true picture of the party's positions, choices and battles. It is the means by which the party communicates with its large membership.

--AL-AHALI is a newspaper for the people. It is socially biased, giving priority to the problems of the popular classes: workers, farmers, junior civil servants, craftsmen and salesmen. But it does not ignore the remaining classes, particularly productive national capitalists, who are involved in the party's work. AL-AHALI is a newspaper for the entire country; it is not merely a Cairo newspaper. AL-AHALI believes in a profound education and in knowledge. It finds no conflict between freedom, objectivity and knowledge; and popularity, ease and simplicity. It sees no conflict in the fact that it is widespread and popular among different readers of various educational standards.

--AL-AHALI is a newspaper for all nationalists. It publishes the news and views of all forces in society, and it discusses them respectfully and responsibly. It does not labor under the notion that our party is the only one on the scene, and it realizes that there are other forces and that they are important.

--AL-AHALI is a newspaper for the Arab homeland. It sets forth the unity of the Arab homeland; it carries the banner of national thought; and it follows up on crucial national questions in all parts of the Arab homeland.

--AL-AHALI is an opposition newspaper that voices the interests of the broadest masses. It presents their problems for discussion so that the best solutions for these problems can be reached. It assumes a critical position on current policies in light of their contribution to solving the problems of the public or how far they are from realizing the public's interests in economic, social and political areas. It assumes a critical position on the question of national, economic and political independence; on the liberation of territory; and in the cultural area. The newspaper's criticism is not limited to partial matters and small details. It does voice its opposition to and its criticism of basic and essential questions. It rejects the notion of political taboos, and it refuses to become engaged in battles whose time has not come or those in which the party would be overpowered. It does not hesitate to establish a dialogue with the government and to interact with everything that is positive. It strives to influence the public in the power of making decisions since it believes in and defends democracy. It is a newspaper of perpetual political and journalistic battles: it presents problems and offers solutions to them and rallies the public behind those solutions.

--AL-AHALI is an informative newspaper that spreads the noblest of values. It tries to revive and enliven the national and ethnic culture; it tries to

revitalize and utilize the heritage; and it tries to consolidate proper spiritual and religious values that are based on forgiveness, rationality and support for national unity.

--AL-AHALI is a contemporary newspaper employing all forms of the journalistic arts with regard to form and substance. It proves that it is capable of offering unifying, progressive national thought through advanced journalistic methods: in news, pictures, comic strips, reports, headlines, short commentaries, columns and articles. It does not talk about doing that in speeches and statements.

Democracy and Corruption

In light of these general guidelines the editorial board began holding a series of successive meetings to turn [these guidelines] from words to pages, sections and headlines [in the newspaper]. We decided to keep the format that AL-AHALI's readers had become familiar with when the newspaper was first published, and we decided to introduce some changes that would be consistent with our decision to publish the newspaper in 10 pages and not in 8, as was the case when the newspaper was first published.

Letters to the editor in the old AL-AHALI occupied a small section in one of the newspaper's pages. We decided to devote a full page to the letters to the editor [and to call it], "The Eloquent Egyptian." We wanted to remind Egyptian citizens in 1982 of their ancestors who had insisted on writing their complaints, expressing their opinions on things that came their way and voicing their worries. Although most newspapers receive letters from readers and publish those letters, it was demonstrated that what was written and published in "The Eloquent Egyptian" was something different. This is because no one in AL-AHALI censors the people's complaints, and no one, as is the case in national papers, prohibits the publication of complaints made against senior officials and major wrongdoers. What was written in "The Eloquent Egyptian" was one of the indicators we rely on in sounding out people regarding their concerns. It is the window through which the people's real problems may be seen. Therefore, some of the complaints and opinions we received were turned into other journalistic formats and became the basis for some of our news, our reports, our campaigns and even our articles.

We devoted two pages, the third and the sixth, for investigative reports. Throughout the past year these two pages gave us the opportunity to look over the country's problems and its political, economic and social concerns: from the question of democracy and public liberties to that of the disappearance of fruits [from the markets]; from the problems of a Cairo for 11 million people to the dispute between the local council and the mayor of al-Mahmudiyah; from the corruption of Rashad 'Uthman, 'Isamat al-Sadat and the open-door policy to the corruption of the medication policy and the acute shortage in baby formula. Soon the sixth page became devoted to reports pertaining to the problems of the public in governorates that are remote from Cairo.

On the fourth page, which was set aside for local news, we devoted a section for news of people living in the governorates so as to achieve a balance between the interest in large cities, where most newspaper readers are found, and the small cities and remote villages where the country's heart beats and where its problems are found. Furthermore, the fourth page took an interest in news of popular and

professional organizations. News reports on the fourth page kept up with the most important questions and local problems that emerged throughout the year.

In the second publication of AL-AHALI the fifth page continued to be an opinion page. In addition, there was another section on the eighth page entitled, "More than an Opinion." The method that prevailed in selecting opinions for publication in AL-AHALI is that which governs everything in that newspaper. We are a democratic newspaper. Our partisanship does not keep us from giving all schools of thought, all trends, parties, popular organizations, public figures and experts an opportunity to express their opinions on the affairs of the country on the pages of AL-AHALI. We give that opportunity in particular to those forces and groups that are precluded by existing conditions from publishing their own newspapers. This is because not only do we believe in the right of these forces to express their opinions, but we also think that this will further the development and growth of democracy in Egypt. It would create a strong public opinion that would overcome the manifestations of indifference, disinterest and the lack of concern which are serious phenomena with profound implications on the sense of national affiliation.

A Democratic Course

It is this democratic course that made us change the party's section, which was one of the sections of the newspaper when it was first published, into a section on political life. That section is not restricted to news of our party, but it also devotes attention to the news and opinions of all parties and intellectual and political trends in society, whether we agree with them on many matters or disagree with them on many matters. When we defended political detainees in our reports, articles, news and comic strips and when we attacked the use of torture, we were not playing the hypocrites for anyone, nor were we trying to appease anyone. We were rather safeguarding democracy because we know that, until further notice, we are the center of persecution in this country. He who will begin by persecuting us will persecute someone else after he is through with us, and the reverse is true. Therefore, we have tried and we will continue to try to give everyone an opportunity to speak his mind on the pages of our newspaper. We personally go after the political and social forces in the country and ask them what they think about the problems of the country. We publish these opinions whether we disagree or agree.

Four pages that were part of AL-AHALI when it was first published remained in the current publication, with only a few changes that have to do with points of interest that emerged this past year.

The front page continued to be a page for the news, bringing to Egyptian citizens the most important news that was not published in Egypt, news that sketches a political and a social map of the reality under which we live. That page includes not only domestic news, economic news and everything that directly affects the Egyptian citizen's right to have food, shelter and stability, but it goes beyond that, highlighting important news from the governorates on the front page. We are trying to make every city and every village a place where news is made, and we are trying to put every city and every village in the spotlight. The front page also includes the most important international and Arab news, providing in many of these fields exclusive coverage of news that had not been previously published.

AL-AHALI's editorial continued to retain the distinctive character it had when the newspaper was first published. AL-AHALI had turned a newspaper editorial from a section that used to be ignored by readers in daily newspapers to a section that aroused considerable controversy between readers and officials after each issue of AL-AHALI was published.

The second page of AL-AHALI continued to feature [articles and news about] Arab and international politics. No other Egyptian newspaper has a page like it. This section depends on news analyses of what is taking place around us. It gave prominent attention to the Arab-Israeli struggle and to the non-aligned camp; it tried to rebuild relations between Egypt and its Arab nation; and it tried to break the barrier of isolation that prevailed after the Jerusalem initiative by presenting an objective picture of domestic conditions in many other Arab countries. It devoted attention to many international political questions that affect conditions in our country and our country's policy.

AL-AHALI was characterized by the fact that it had a section [devoted to] culture and the arts. That section tried to present the new culture in Egypt, in the Arab homeland and in the Third World based on the premise that culture is something citizens are entitled to. Culture enables citizens to have a national sentiment that abides by high humanitarian and social values. Culture and the arts are presented in a variety of journalistic formats: reports, interviews, news, commentaries and critical reviews. The cultural section removed a lot of dust that had settled on the literature and arts of the sixties and seventies when the culture of freeloaders prevailed. The cultural section adopted questions about the freedom to be creative, to think and to engage in scientific inquiry. It presented reports on the question of movies, theater, book and television censorship, and it presented for discussion the crisis of intellectuals, the question of the public sector and the questions of songs and cartoons.

The cultural section launched an organized campaign to boycott Israeli cultural activities in Egypt, to caution against their danger and to boycott intellectuals who deal with Israel. The section presented examples of Palestinian literature and of literature from Asia, Africa and Latin America. It offered critical reviews of the popular arts such as the movies, television and the theater, and it discussed the problems of organizing for cultural purposes.

The last page of the newspaper continued to provide a serious interlude for readers of AL-AHALI, combining sharp commentaries that criticize but do not hurt, calendars, meditations, and a section for light news, [entitled] "The Government and the People."

Special Services

Although we were committed to this fixed arrangement of the newspaper's sections, we had to add two other pages in most issues of the past year. On those pages we offered special journalistic services to our readers. We began adding these two pages during the month of Ramadan. We tried to offer a model of Islam as we understood it: a religion for disinherited men, women and children; an appeal for the liberation of man from man's oppression; and a message for action and freedom.

Our interest in Islam was not confined to the month of Ramadan. On the various pages of our newspaper we continued to call for a dialogue on the substance of the Islamic political movement. We attacked the administrative and police methods utilized in the dialogue with the advocates of Islamic fundamentalism, and we asked that a new dialogue with them be started so that an enlightened religious trend can be formulated. That trend alone could preserve national unity and the country, which is the homeland of all Egyptians regardless of their religion, their belief and their ideology.

The special services sections that we added to the newspaper gave us an opportunity to conduct a number of important political discussions with people of consequence. We interviewed Muhammad Hasanayn Haykal, Fu'ad Siraj al-Din, 'Umar al-Talmasani, 'Ali Sabri, Husayn al-Shafi'i, 'Abd-al-Latif al-Baghdadi and Farid 'Abd-al-Karim. This made our newspaper one of the foremost Egyptian newspapers to adopt the heroic struggle of the Lebanese and Palestinian peoples.

Readers Astonished Us

It is a fact that the success of AL-AHALI was astonishing to us.

We did not expect to overcome in 1 year the dark climate in which most people had turned away from reading newspapers and many people preferred glossy paper publications with appealing pictures of beautiful women that do not tax their minds with discussions about worries and problems.

The readers of AL-AHALI were astonishing.

The fact that readers turned to us was evidence of the fact that they needed truth with which they could confront lies; they needed sincerity with which they could confront mutability; and they needed earnestness with which they could confront the shenanigans and the hypocrisy.

Thus we printed 100,000 copies of the first issue that was published on 19 May last year. It was sold out in a matter of hours. We printed 175,000 copies of the last issue; only a few hundred copies of that issue remain.

We achieved this by [a sense of] belonging to the people; we achieved this with the efforts of our party and its friends; and we achieved this with our own resources and not with a government subsidy. Despite the siege [that was imposed on us], our share of advertisements rose even though we are the only newspaper in Egypt that has a political rule governing its advertisements. AL-AHALI rejects any conditions for publishing advertisements, and it also refuses to publish any advertisement for any company, private or public, that does business with Israel.

What They Said, and What We Said

Just as we expected, it was not the normal order of things that we be left alone by those who saw that our truthfulness was exposing their lies; our courage was exposing their weakness; our honor was impugning their conduct; and our sense of belonging to the country, the nation and the people was an indictment against them. Their campaigns [against us] came in a sequence: they incited rulers and people against us; they made them our enemies; and they dreamed of the day when we would vanish so they would have the field to themselves, cawing [like ravens] among the ruins of democracy.

They said that we were casting doubts, that we were malicious, that we were agents and atheists and that we were being paid off by foreign embassies.

We said that all this had been said before, and we bore [their accusations] patiently. We thank God that we lived long enough for people to know who are the real agents; who are those who have no faith in a religion or a homeland; and who are those who have no sense of belonging to anything but themselves.

They said that our newspaper was provocative, that we did not see anything that was favorable and that we did not admit that anything positive had been or was being done.

We said that there were four daily newspapers and six weekly magazines in Egypt and that these publications were owned by the government and spoke only of positive matters. Their only concern was to flatter all officials and to cheer about everything that was completed. A natural balance would require that we keep the pages of our newspaper open for criticism so that national action can be rectified.

They said that we offered no solutions to any problem and that we spread despair.

We said that this was not true. First, we did offer solutions; no one will make us publish again what we have already published. Second, we do not oppose details, but we oppose policies. Neither we nor the governments will find solutions to many of the country's problems because these are reflections of what is really wrong: the imbalance in the total economic policies. Unless new serious signs of policy changes emerge, neither you nor we will have solutions in front of us.

They said that we speak with a strident voice, and they challenged us to come up with an opposition newspaper anywhere in the world that uses the same tone our newspaper uses.

We said that the matter did not require an inquiry into what opposition newspapers were publishing everywhere or in a part of the world. It is enough to visit the Egyptian Library and to read Egypt's newspapers early in the age of occupation and the age of independence, and even in 1950 and 1951. He who does that will then become convinced that the tone of our newspaper is one that is very calm and very peaceful. He will notice that in everything we wrote we took pains to observe the manners of dialogue. We did not accuse any of our opponents of being agents or of being paid off by embassies. Nor did we publish anything that had to do with the private lives of our opponents unless that had something to do with the public interest.

100 Flowers

This does not mean that everything is all right.

It does not mean that all those who criticize us have ulterior motives. AL-AHALI is not owned by an individual, a group or a family. The publishers of AL-AHALI claim nothing in the newspaper but their hard work and effort which they make sincerely and willingly. The only thing they want out of this is to affirm their

affiliation with a great people. They want to affirm the fact that they cherish a great party. It is for this reason that they did accept and are willingly accepting the criticism of friends. This is completely different from the slander of enemies. This criticism is made by the leaders and members of our party; it is made by veterans of the profession and by some of our opponents.

There are those who urge that AL-AHALI be changed into a publication for in-depth studies and that it play a role in consolidating theories and [enhancing] political awareness.

There are those who think it is necessary that new sections be designated in the newspaper for young people, for women, for religious thought, for immigrants, for sports and for comic strips.

And there are still others who have other ideas.

We listen to all these ideas and we discuss them. We are delighted because our friends, out of their generosity and their kindness, are so confident in our ability that they think we can provide everything that is missing from the Egyptian press. They are giving us the responsibility of satisfying their need for a newspaper that expresses their longing for a country in which freedom, justice and progress would blossom.

And so it is that after 1 year we have become the newspaper for those people who dream of the dawn and who await the future.

Because no one can prevent the dawn from coming, AL-AHALI will survive. The others will go where all those who counted on the other side of history went.

8592

CSO: 4504/392

INTEGRATION MEASURES BETWEEN EGYPT, SUDAN

Cairo AL-AHRAM in Arabic 14 Apr 83 p 11

[Article: "Egyptian Television Network Broadcasting in Khartum; A Sudanese-Egyptian Newspaper and Uniform Television and Radio Programs]

[Text] Television network broadcasting will be gradually extended to the Sudan. This initial step will be followed by the utilization of a satellite to cover and simultaneously transmit the news of political, economic, cultural, and social events to the two areas. The satellite will also serve the neighboring Arab and African countries. A Sudanese-Egyptian newspaper will be established and local newspapers will issue special editions about integration between the two countries. The integration plan had been developed by culture and media experts of the specialized councils at the conference under the leadership of Dr 'Abd al-Qadir Hatim and was forwarded to Mr Safwat al-Sharif, minister of information, for approval. The plan includes the following:

Information

The Egyptian Information Bureau will establish a Sudanese press office as well as organizing the exchange of information between Egyptian and Sudanese press agencies abroad. Dr Mamduh al-Biltaji, head of the Information Bureau will send to the Sudan a number of experts specializing in information verification in the media field, internally and externally. In the meantime, the Sudan will send groups of young people to receive training in Cairo. Egyptian and Sudanese media agencies, locally and abroad will exchange information in order to coordinate media output in both countries.

The Press

Preparations for establishing a joint Sudanese-Egyptian newspaper will begin forthwith. Newspaper agencies will issue special editions of Egyptian newspapers for the Sudan and vice-versa. These special editions will deal exclusively with the aspects and development of integration. There will be coordination between THE MIDDLE EAST NEWS AGENCY in Cairo and the Sudan NEWS AGENCY (SUNA) in Khartum. Each agency will have a main office in each capital to follow up their respective news releases as a

first step towards establishing a joint news agency. The ultimate function of this joint agency will be to exchange expertise, to make advances in information processing technology, and to broadcast a uniform Egyptian-Sudanese news bulletin.

The Television Network

Samiyah Sadiq, director of the Television network in Egypt, will set up a plan to televise news programs in Egypt and the Sudan at the same time. Special priority will be given to programs dealing with integration. Extensive interviews will be conducted with prominent personalities of both countries on social, economic, political, cultural, and intellectual matters. In addition, recordings of religious, cultural and artistic programs will be broadcast from time to time in order to promote these programs as a complete view of the religious, civil, and historical outlines in both countries.

Radio Broadcasting

Fahmi 'Umar, director of the radio network in Egypt, will take necessary measures to standardize the directional beams in Egypt and the Sudan. Radio announcers from both countries will exchange visits and will work jointly to produce programs that will enhance the integration. The programs should be informative to acquaint the people of both countries to each other's cultural, social, and economic life. The programs should also stress the on-going positive activities that characterize the relations between the Sudanese and the Egyptians.

12188

CSO: 4504/323

PORT SA'ID LOSSES DETAILED

Cairo AL-AHRAM in Arabic 11 Apr 83 p 9

[Article: Thousands of Dollars Are Wasted Every Day in Port Sa'id Due to the Disagreement Between the Shipping and Provision Departments, Port Sa'id Governor says: "I mediated more than once to end the differences."]

[Text] The intense keenness of the government to realize coordination between the various administrations in Port Sa'id harbor will no doubt enhance the possibilities of a close cooperation between the General Authority for Supply Commodities and the Canal Shipping Company. The government is endeavoring to have both the company and the Authority sign a contract stipulating the terms of their joint work so that responsibility may be defined and the flow of unloading food commodities can be regulated. The General Authority for Supply Commodities was founded in 1968. Among its various functions is the importation of the country's needs with respect to food and consumer goods, the supervision of importation agreements, and the setting up of a time table to ensure the availability of these goods. The Canal Shipping and Unloading Company is one of the companies of the Ministry of Maritime Transportation. The Company is authorized to ship, unload, and handle all food commodities. Therefore, the signing of a contract between the Company and the Authority for Supply Commodities has always been a pressing need. A 2-year negotiation was successfully completed during the past 2 months culminating in drawing the outline of a contract. However, neither party has signed it yet for some disputed issues remain unresolved. The persistence of this serious problem endangers the work in the harbor.

Head of the Canal Shipping and Unloading Company: Four Points Stand in the Way of Reaching an Agreement.

Ahmad Shawqi, head of the board of directors of the Canal Shipping and Unloading Company, says that the Company has done its utmost and offered all the possible concessions it can afford to the Authority for Supply Commodities in order to reach an agreement by terms of which duties and obligations would be defined and financial matters could be settled. He adds that the 1962 Republican Decree No 2209 stipulates that should the unloading process be completed on or before the scheduled time, the Company gets 40 percent in merit money. The Authority has never made any

payment. The accumulated amounts which it owes the Company exceed several million Egyptian pounds. The unavailability of this substantial amount has hindered the Company's plans to develop and expand. Consequently the rate and quality of the unloading process has been greatly affected. The Company is also unable to purchase 4 million Egyptian pounds worth of equipment to unload and automatically sort grain shipments. The new equipment will increase the unloading capacity from 1,000 tons to 4,000 tons daily, raising the Authority acquisition of commodities to 750,000 tons yearly, and reduce the freight cost to \$10.00, which means \$7.5 million per year. The Chairman of the Company's board of directors remarks that the Authority's decision to make the back payments contingent upon our signing a contract, although the Republican Decree contains no reference to such a condition, widens our disagreement. The Authority is exerting pressure to force the Company to sign a contract, the terms of which will burden the Company with tasks outside the scope of its activities. He summarizes the points of disagreement with the Authority as follows:

First, the Authority demands that the Company receive shipments on the Authority's behalf and then transport them to the headquarters. The Authority is fully aware of the fact that the Company is a division of the Ministry of Public Transportation. Therefore, the Company is not authorized to perform tasks beyond its defined functions. The Authority has a permanent "Receiving Office" in the harbor as well as a representative on board ship who verifies the signs and lists of the unloaded goods. In order to avoid piling up goods in storage areas and paying delay fines, the Company is forced sometimes to use its floating docks to unload the shipments. The Company is neither responsible for moving or guarding those goods.

Second, the Authority has signed a contract with the Suez Shipping and Unloading Company. It requests our Company to sign a similar contract, although the working conditions in both harbors are vastly different. Although the Company and the Authority agreed in writing that the average unloading by vacuum "will not exceed" 1750 tons for wheat shipment; and 1000 tons for rice, flour, sugar, and fava beans shipments; the Association insists on amending the phrase of the agreement to "not less than". If we take into consideration that the unloading of 50 percent of these shipments is done manually, the impracticality of their demand speaks for itself.

Third, the Authority insists on considering the time of the ships' anchorage to be the starting work hour, although we have repeatedly explained that the Company needs 4 hours to summon its work force, pull the vacuums to the docks, and make preparation for the unloading processes. Due to the uncertain circumstances surrounding the piloting of each ship through the Canal, The Suez Canal Authority does not inform us in advance about the arrival time of ships.

Fourth, the Company demands to be compensated for wasted time by the Authority. Sometimes, for managerial reasons, we receive instructions from the ship's captain or the Authority's representative to stop off-loading temporarily. At other times we are forced to cease work due to a mechanical failure in the ship's winches. Governor Sayyid Sarhan remarked that he had mediated more than one time to end the differences which are damaging to the work conditions in the harbor. He pleaded to the head of the Port Sa'id Harbor administration to offer his good offices to solve the conflict. The governor, however, tends to favor the Authority's viewpoint. The Port Sa'id Harbor Authority, which has the ultimate authority over such disputes, has not seriously interfered to settle the differences between the Canal Shipping and Unloading Company and the Authority for Supply Commodities. Without constructive coordination between the Company and the Authority, safety and working conditions in the harbor will be in jeopardy.

The Authority for Supply Commodities Responds: We have two basic objectives-- The Protection of Supply Commodities and the Avoidance of Having to Pay Delay Fines.

'Adil Sulayman Yusri, head of the central administration, within the Food Commodities Association, sent to the "economy section" in AL-AHRAM a response to the article published in AL-AHRAM (on 22 March, 1983) regarding the costly conflict between the various administrations of Port Sa'id Harbor. Egypt pays \$4,000 per day in fines for late unloading. The response addressed the following points:

1. Off-loading Ships in Port Sa'id: According to a Republican Decree, the responsibilities of all off-loading shipments rest with the Canal Shipping and Unloading Company. While the central administration for receiving, within the Authority for Supply Commodities, is charged with coordinating between several government agencies to oversee the storage and delivery of shipments. These agencies are: The Egyptian Silos Company, The Bank of Agricultural Development, and several divisions of the Ministry of Transportation. The basic responsibilities of our Authority are: a) to maintain food commodities in good condition since cases of contaminated flour shipments were cited before, and b) to avoid payment of delay fines.

2. The Canal company possesses an enormous number of containers, the capacity of which is 500,000 tons. The company's contracts with the ships stipulates the extent of unloading which must be done each day, unloading either at anchor or at dockside. It is amazing to note that an independent contractor, whom we hire occasionally, can accomplish twice as much as the Canal Company can despite its manpower and equipment.

The Signing of a Contract With the Canal Company for Shipping and Off-loading.

The Authority for Supply Commodities has been trying to draw up a contract with the Canal Company the terms of which define the responsibilities of each party and take into consideration the suggestions made by the prime

minister. Unfortunately, the Company makes signing of the contract contingent upon receiving certain payments from the Authority. If these payments are to be made, the prices of some subsidized food commodities will have to be raised. In the meantime, the Company does not carry out its responsibilities to the fullest with respect to the delivery of the shipments it unloads to their respective destinations, or to the safety of the commodities kept in its stores. A copy of a recent contract which the Authority has signed with the Suez Shipping and Unloading Company was forwarded to the governor of Port Sa'id. We do hope that the Canal Company will accept to sign with us a similar contract. After all, both companies are divisions of the Ministry of Maritime Transport and should have the same operating principles.

The Off-loading Process: The Issue of the Sorghum Shipment of the Ship Artimas

--This ship docked on 22-2-83 carrying 25,725 tons of Sorghum. The off-loading process should have started on the following day, but instead it began on the 25th, which meant a loss of 2 working days. For 9 days the Company unloaded by means of cranes 3273 tons only, at an average of 364 tons per day, while it was supposed to unload 4500 tons, at an average of 500 tons per day. Utilizing Hamza vacuums, the company was supposed to unload in 18 working days 1800 tons, at an average of 1000 tons per day, but instead it only unloaded 13,959, at an average of 776 tons daily. The remainder of the shipment amounting to 8493 tons was unloaded manually into containers. We are asked to pay the company an unjustifiable additional amount of 30,880 Egyptian pounds. Nevertheless, the company was awarded \$4020 in merit money for not exceeding the allotted off-loading time.

General 'Adil Sulayman Yusri, head of the central administration for receiving and distribution.

12188

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ISMA'ILYAH CANAL PROBLEMS CITED IN AL-ZAQAZIQ

Cairo AL-AHALI in Arabic 16 Mar 83 p 6

[Article by AL-AHALI correspondent: Underground Water Destroys 10,000 Feddans in al-Sharqiyah; Ministry Representative Says: It Is Not a Problem"]

[Text] Underground water filtering through from al-Isma'iliyah Canal has thus far destroyed 10,000 feddans in al-Sharqiyah and made 7,000 families homeless. They now receive monthly financial assistance from the government. The people of the villages have been added to a long line of other villages which have suffered from this same problem, a dangerous phenomenon which ought to sound the alarm.

It is astonishing to know that the representative of the Ministry of Irrigation in al-Sharqiyah believes that the problem is very simple. In response to the villagers' complaints he stated that this phenomenon is by no means a serious problem in this low land and therefore, the solution is quite simple, namely the building of a drainage station at 'Izbat Hanna Mirham. The fellahin who live with the problem, and who are neither ministry representatives nor irrigation engineers, rejected the ministry representative's response and maintained that the solution he suggested would only compound the problem.

Low Lands

Muhammad Mahir Salim, a fellah and a member of the National Progressive Unionist Grouping, says, "The reply to the ministry representative statement is simple. There is more than one canal whose water level is above ground level. The land through which Isma'iliyah Canal runs is by no means the only low land in Egypt. It is a very well known fact that the agricultural land spreading from Aswan to Dumyat is virtually floating over underground water whose level has been steadily rising, and probably one day it will become as it was in Noah's time. I want to ask the "know-it-all's" about their opinion of the low lands in the northern governorates, Kafr al-Shaykh, al-Buhayrah, Dumyat, al-Daqahliyah, al-Fayyum, and Bani Suwayf. The danger of underground water threatens every part of Egypt. This is a concrete fact, not an exaggeration, that should become the center of the officials' attention, and not be taken lightly."

Another fellah, Fahmi Abu 'Adil, says, "It would undoubtedly be more convenient to have a mechanical irrigation system and a modern drainage system. Unfortunately, both are lacking and one does not fail to notice, with deep sorrow, at the drainage station of Saft al-Hanna a solid dam located in the drainage canal of Bahr al-Baqar, raising the water level on one end 1 meter and on the other end more than that. This meter increase causes the water level to rise two meters or more at the front part of the drainage canal. If the fellahin of al-Qalyubiyah and al-Sharqiyah were aware of the damage from this technical error, they would understand the main reason for the deterioration of their lands and their agricultural production."

Mustafa 'Abdallah Shawir warns that damage will increase as a result of building a new drainage station in Hanna Mirham and says, "From the technical view, not less than 30,000 feddans of the land irrigated by al-Sa'idiyah Canal has been damaged by filtration. Similar damage has occurred to the land surrounding the Wadi Canal and a new drainage station will cause further severe damage by discharging into the canal. Should the water released from al-Isma'iliyah Canal cease to be discharged into al-Wadi Canal, the damage anticipated will be beyond calculation."

Fellah Mahmud Muhammad Mutawalli adds a new point when he says, "Most of the land of al-Husayniyah center had been recently reclaimed. Although it contains a high percentage of salt, it is irrigated by the drainage water which has a high level of salt. The land of al-Husayniyah has been steadily decreasing since the reclaimed land at San al-Hajar has been turned into fish farms. Thousands of feddans were flooded and their crops lost when the pumping stations in al-Qasabi area broke down. Nevertheless, the officials follow the course that 'everything is fine; there's no problem or need to worry'."

Al-Hajj Nadi Muhammad al-Sharbini, a fellah and a member of the National Progressive Unionist Grouping, says, "There are a number of issues that need discussing and a special conference should be convened in which the officials and the fellahin can discuss the problems of irrigation and drainage, perhaps leading to several country-wide sessions."

Al-Hajj Nadi also suggested that the drainage water of al-Qalyubiyah and al-Sharqiyah be channeled to the Eastern desert to irrigate it. This would get rid of the drainage water and at the same time reclaim new lands. He further suggested that the Nile branches of Rosetta and Damietta be dammed so that the Nile water would not be wasted in the Mediterranean Sea, but put to very profitable use by irrigating wide, new areas of land. "If we remain at a standstill in the face of the drainage problem, our green land will disappear."

The fellahin's suggestions regarding overcoming the filtration problem in al-Sharqiyah or elsewhere must be taken with great seriousness. Concerned officials and technocrats in the Ministries of Agriculture and Irrigation must discuss these suggestions at length with the fellahin. The problem is seriously threatening Egypt's agricultural resources. Saying that there is no problem here and no need to worry is a statement from those whose hand is in the water, not in the fire. But, dear representative of the Ministry of Agriculture, in al-Sharqiyah, the filtration waters are not water, but fire!

CONTROVERSY OVER GOVERNMENT'S HOUSING POLICY IN SUEZ

Cairo AL-AHALI in Arabic 16 Mar 83 p 6

[Article by 'Abd-al-Hamid Kamal: "Residents of al-Sabbah Sue the Government"]

[Text] The law suit filed 3 years ago against the government by 6,000 families who live in al-Sabah district in the city of Suez is still circulating in the courts. The residents' defense attorney said that the government had "defrauded" them by issuing a decree forcing them to buy the apartments which had been distributed to them while renting to the residents of the apartments which had been distributed when the government built Faysal City.

The tenants say, "Who said to the government that we want to own apartments. Why do you force us to pay high mortgage payments, instead of having us pay monthly rents that suit our budget. Furthermore, the price of these units is such as to defraud us." Above all, these units were built with money donated by Arab countries and the residents do not understand why these apartments, paid for by their Arab brothers, must be sold at these exorbitant prices.

Ink on Paper

The problem began with the reconstruction of the city of Suez which was 85 percent destroyed by the war. Plans were made to establish two new districts, Faysal and al-Sabah, to accommodate the refugees after the destruction of their homes during the war. Upon completion of the Faysal district, the government leased its units to the citizens whose homes had been destroyed. However, when al-Sabah district was ready for people to move in, the reconstruction agency adopted a different housing policy. Instead of leasing the units to the people, it put them up for sale with a 40 year mortgage. The people say that the government is ignoring the fact that the cost of building the residential units of Faysal and al-Sabah, and indeed the entire city of Suez, has been assumed and has been given as a gift by the Arab brothers to the people of Suez. The Saudi and Kuwaiti peoples contributed the money to rebuild the city, so why does the government consider al-Sabah as investment money and force the residents to buy.

They add that 7 years ago on 28 April 1976 the local government decided to lower the rent of the apartment complexes in Faysal and al-Sabah so that it would be 1 Egyptian pound [LE] per room, instead of LE 1.50 per room. But the decision has remained ink on paper.

Equity in Sacrifice

Although Faysal and al-Sabah are across the street from each other, there is a great disparity between the standards and services of each district.

The quality of the finish of the Faysal buildings supercedes that of al-Sabah's, and the rooms of the former are much larger than those of the latter. However, to the people's dismay, the rent of the Faysal apartments are much lower than the mortgage payments on al-Sabah apartments. For instance, a 2-room apartment in Faysal rents for LE 4.75, while the monthly mortgage payments for a similar apartment in al-Sabah is LE 9.57, more than double. A 3-room apartment in Faysal costs LE 6.75 in monthly rent, but a similar one in al-Sabah runs LE 10.43 a month. This is why al-Sabah residents object to buying and they add, "There is exaggeration in the calculation of the construction costs of al-Sabah. The construction price per square meter was LE 35 in any city in Egypt at that time, but successive ministerial decrees have raised the cost to LE 55 in al-Sabah district only. Although the districts of al-Sabah in Suez and Zayid in Isma'iliyah were built approximately at the same time, there is a large difference in the construction costs.

'Ali Mahmud Husayn, a resident of al-Sabah, says that it is inconceivable that the mortgage payment represents one-half of the family income. In all fairness, the payment should not exceed 20 percent of income. If we add in transportation expenses and electricity, that leaves a family living on a low fixed income with virtually nothing left for food, clothing, and school expenses.

Sayyid Qinawi, head of 'Ataqa district, says, "The failure of al-Sabah residents to meet their financial obligations is due to the high monthly payment of the apartments. The uncollected back payments in al-Sabah district amount to LE 500,000 while they do not exceed LE 100,000 in Faysal district. This in turn means that the possibilities of building new apartment complexes are greatly reduced."

'Ismat al-'Afra, head of the popular council of 'Ataqah and a member of the National Party, says, "It is not logical that all the people of Suez suffer equally, and then be differentiated in compensation. Why does someone who gets an apartment in Faysal have better luck than someone who gets an apartment in al-Sabah when each has suffered and endured the same conditions."

The Law and the Court

Ahmad Najib al-'Askari, former head of the local government who currently represents the people in their lawsuit, reflects on the legal aspect of the issue and summarizes the situation as follows: When the residents of al-Sabah rented the apartments from the government, the spirit of the lease was that these apartments were in restitution for their former homes which were destroyed during the war. The government had compensated property owners, so is it not logical then to provide the tenants who lost their apartments with proper housing? Indeed this principle was observed in leasing the apartments of King Faysal district. The government had raised the construction cost four times by ministerial decrees to the point that

in al-Sabah district, the counterpart of an apartment in Faysal district whose monthly payment is less than LE 5, is priced at LE 16 per month for 40 years. This is gross injustice. The solution to this problem is that the government should sell the apartments at their actual costs. In 1978 100,000 residential units of the same type were put up for sale in the city of Sadat. The construction cost was 30 percent less than al-Sabah's, although the latter were built 3 years earlier and since then the prices went up considerably. Since 1978, the National Progressive Unionist Grouping has been pressing for a solution to the problem in the tenants favor. The Grouping distributed a petition in Suez in which it asked the government to lease al-Sabah apartments on the same terms as Faysal apartments. The monthly rent should be regarded as an interest free mortgage payment. The district councils and the building management councils should be charged with the maintenance of the apartments in return for moderate fees paid by tenants. The government declined to respond to the Grouping demands. Al-Sabah residents had no choice but to file a law suit against the government and the case has been before the court for 4 years. Are official quarters going to take the necessary steps to redress this inequity against the people of Suez.

12188

CSO: 4504/300

BRIEFS

NEW WAFD PARTY LEADER DIES--Prime Minister Fu'ad Muhyi al-Din offered, as a private citizen, his condolences to the family of the late 'Abd al-Fatah Hassan (Pasha), a lawyer and former leader of the disbanded New Wafd Party. Fu'ad Muhyi al-Din attended the visitation, which was held last Wednesday next to 'Umar Makram Mosque, without body guards present. Dr Abd al-Muhsin Hammudah took the opportunity of the visitation to argue through loudspeakers for the Tali'a Wafdiyya Party which he has been trying for many years to form. The mourners failed to restrain Dr Hammudah.
[Text] [Cairo AL-AHRAR in Arabic 11 Apr 83 p 1] 12188

YOUTH, ARMY SINAI BUILDING--Dr 'Abd al-Ahad Jamal al-Din, head of the Supreme Council for Youth and Sports, announced that an agreement has been made with Field Marshal, 'Abd al-Halim Abu Ghazalah, before his departure to Italy regarding the joint effort of the youth and the army to build new villages in Sinai. The villages will be structured after the model of the village which the armed forces had already built. The villages are expected to be completed this month during the festivities of Sinai. In a meeting attended by Engineer Tawfiq Kararah, Governor of al-Daqahliyyah; Dr Kamal al-Din Kamil, President of al-Mansura University; the Faculty of the University; and members of the Student Union; the head of the Supreme Council stated that there would be real job opportunities during this summer in many projects to develop the Egyptian society, a more worthy task than seeking work in Europe which is experiencing a high rate of unemployment. He added that a general conference for all the Student Union members of the Egyptian Universities will be held next month to discuss the various activities in which students may participate. He also stated that it has been decided to carry out in each village the foremost project which its developmental plans require. Students' wages in these projects will be high. The Governor of al-Daqahliyya reported in that meeting that a summer camp will be established to accomodate 1200 students from 15 July to 16 August. The students will work for the developmental projects in the gnvornorate and each will receive a remuneration of L.E. 10 per week. [Text] [Cairo AL-AHRAM in Arabic 14 Apr 83 p 8] 12188

WHEAT FARMING UNPROFITABLE--Ahmad Nuh, minister of supply, said in a meeting convened by the ruling party in the city of Kafr al-Shaykh that Egypt produces at present 25 percent of its needs of wheat and imports the remaining 75 percent from America at \$200 a ton. He added that in the year 2000 Egypt will produce only 10 percent of its needs of wheat. It is a known fact that the government buys wheat from the fellahin at 50 Egyptian pounds a ton, while it pays America \$200 a ton. Because the fellahin experience extreme difficulties in delivering wheat and in receiving payment for it, many of them no longer cultivate it. [Text] [Cairo AL-AHALI in Arabic 16 Mar 83 p 4] 12188

BURSTING SEWER MAINS IN SUEZ--The city of Suez is presently witnessing a series of successive explosions in the sewer and water mains. The Petrogate Company had done extensive excavating to install a water line in the central part of the city and in al-'Arba-in district without informing the officials about the date and route of the excavating, which has caused the city to be drowned in sewer and drinking water. Although 25 of these sewer mains have been repaired, more mains continue to explode in the streets of the city. [Text] [Cairo AL-AHALI in Arabic 16 Mar 83 p 4] 12188

CSO: 4504/300

PRESS STATEMENT AT CONCLUSION OF AL-QADHDHAFI YAR VISIT

LD100045 Tripoli JANA in Arabic 2115 GMT 9 Jun 83

[Press statement issued in San'a' on 9 June at conclusion of working visit by Colonel Mu'ammarr al-Qadhdhafi to the Yemen Arab Republic]

[Text] Tripoli, 9 Jun (JANA)--Within the context of consultations and continuing meetings between the two fraternal countries, Colonel Mu'ammarr al-Qadhdhafi paid a friendly 1-day visit to the Yemen Arab Republic [YAR] at the head of an important delegation. He was welcomed on his arrival at the airport by Colonel 'Ali 'Abdallah Salih, president of the YAR, the general commander of the armed forces, the secretary general of the General People's Congress, senior state, government and Permanent Committee members and senior security and armed forces officers:

During this visit fraternal talks were held between Col Mu'ammarr al-Qadhdhafi, leader of the great 1 September revolution, and Col 'Ali 'Abdallah Salih, YAR president. The talks were also attended by members of the two delegations and were dominated by an atmosphere of sincerity, frankness and optimism. Agreement was reached on carrying out an Arab move aimed at healing the Arab split and massing the energies of the Arab nation for the immediate and fateful confrontation with the aggressive, conspiratorial Zionist designs. The talks covered all bilateral and Arab issues, developments in the Arab arena and international events. On the Arab level, the two sides agreed on the following: The need for immediate Arab action to discard differences and to bring the Arab nation together. In this context, the leader and president 'Ali 'Abdallah Salih invited the leaders of the Arab nation to end marginal and secondary differences and to begin joint Arab action to mass Arab energies for confrontation with the challenges and dangers constituted by the aggressive Zionist existence, backed by imperialism, to the Arab nation, by its expansionist designs and its hegemonist efforts over the Arab nation, its fate and its future, and by the imposition of humiliating agreements and treaties.

Both sides stressed the inevitability of an immediate start in practical unionist steps among all the Arab countries in response to the expectations of the broad Arab masses, considering that this is the road to salvation and the maintenance of Islamic-Arab existence.

At the level of bilateral relations between the two fraternal countries, the two sides agreed on the importance of developing and promoting these relations. They also agreed on the importance of immediately starting practical steps in the direction of building unity between the two countries and strengthening its firm foundations as this is the cornerstone for unionist Arab action. They agreed to continue and strengthen cooperation. They agreed to coordination between themselves in all the popular, political, informational, cultural and economic fields as an embodiment of the aspirations and hopes of their two peoples and in accordance with a joint action program. This reflects a belief in true unionist action which stems from the faith of the two peoples and their pan-Arab affiliation. This is the true way which should be pursued by the Arab nation, away from all foreign ideologies. In the Arab nation's faith and values there exists everything that can make it achieve its long hoped-for building of a single independent entity.

During this visit the brother Col 'Ali 'Abdallah Salih briefed his brother Col Mu'ammarr al-Qadhdhafi on the progress of unionist action between the two parts of the Yemeni homeland and the steps that have been taken in the field of building joint unionist organizations. Col Mu'ammarr al-Qadhdhafi expressed his full support for these unionist steps. Col 'Ali 'Abdallah Salih also briefed Col Mu'ammarr al-Qadhdhafi on the outlines of the popular democratic experiment which is currently taking place in the YAR and which seeks to embody the aims of the unionist and immortal 26 September revolution in establishing the governing of the people by the people.

The leader of the great 1 September revolution highly praised this experiment as one of the gains realized by the Yemeni people and as a basic step toward achieving full popular authority.

CSO: 4500/231

JOINT TURKISH-TUNISIAN COMMUNIQUE ISSUED

PM081432 Tunis L'ACTION in French 29 May 83 p 12

[Unattributed account of joint Tunisian-Turkish communique issued after visit to Turkey by Prime Minister Mohamed Mzali from 24 to 28 May]

[Text] At the invitation of His Excellency Mr Bulent Ulusu, prime minister of the Republic of Turkey, His Excellency Mr Mohamed Mzali, prime minister of the Republic of Tunisia, accompanied by Mrs Mzali, made an official visit to Turkey from 24 through 28 May 1983 at the head of a high-level delegation comprising, in particular, National Economy Minister Abdelaziz Lasram, Agriculture Minister Lassaad Ben Osman, and Mr Ahmed Ben Arfa, secretary of state to the Foreign Ministry.

The Tunisian prime minister was granted an audience by His Excellency General Kenan Evren, president of the Republic of Turkey, to whom he conveyed the fraternal greetings of His Excellency Habib Bourguiba, president of the Republic of Tunisia.

This visit falls into the framework of the fraternal relations which exist between Turkey and Tunisia. The official talks between the two prime ministers took place in the warm atmosphere of traditional friendship and fraternity which characterizes Turkish-Tunisian relations. The two sides noted with satisfaction the excellent state of relations between the two countries, the spirit of mutual understanding which inspires them and complete agreement on the questions raised.

Reviewing the international situation and referring to the joint communique published at the end of His Excellency Mr Ulusu's official visit to Tunisia in October 1982, the two sides again expressed their deep concern at the crisis situation which still prevails in the Middle East owing to Israel's aggressive and expansionist policy toward the Arab countries and its illegal practices in the occupied territories.

The two sides reiterated their deep concern at the invasion of Lebanon and stressed the need for the total and immediate withdrawal of the Israeli troops and reaffirmed the importance they attach to the restoration of Lebanon's national unity, territorial integrity and independence.

The two sides reiterated their conviction that a just and comprehensive solution to the Middle East conflict can only be found by Israel's withdrawal from all the occupied Arab territories including Jerusalem and by recognition of the Palestinian people's legitimate and inalienable national rights, including the right to build their own independent state in Palestine.

In addition the two sides reaffirmed their support for the PLO as the Palestinian people's sole legitimate representative and recalled the need for its participation in any process aimed at finding a solution to the conflict and at restoring peace and security in the region.

The two sides deplored the continuation of hostilities between Iraq and Iran. In this connection they expressed the hope that a peaceful solution might be found to end the fratricidal war between the two Islamic countries as quickly as possible. In this context they reiterated their firm support for all the efforts and attempts at mediation with the aim of achieving this goal and particularly those made by the Islamic Peace Committee.

The Tunisian prime minister thanked the Turkish prime minister for the warm welcome he, his wife, and the delegation he was heading were given.

The two sides welcomed the fact that, following the example of the relations of friendship and fraternity which exist between Turkey and Tunisia, trade between the two countries and economic, industrial and technical cooperation have increased in both quantity and quality, especially since the signing of the long-term economic, industrial, and technical agreement on 29 September 1981.

The two sides reviewed their relations and reiterated their joint desire to promote and intensify economic cooperation between Turkey and Tunisia in all spheres of mutual interest.

They noted with satisfaction that, at the end of the joint economic commission's meeting, a decision was taken to increase and diversify trade, to establish close cooperation between the two countries' export promotion bodies, to negotiate an agreement for the prevention of double taxation, to develop cooperation in the industrial and technical spheres to establish joint furniture-making enterprises and in the spheres of refrigerator compressor, sheet glass and heat engine manufacture.

They also welcomed:

--The conclusion of engineering contracts for the modernization of the Turkish Samsun chemical installations.

--The signing of the agreement relating to the establishment in Tunisia of a cotton cloth spinning, weaving and finishing complex.

--The progress made in the pre-feasibility, profitability and technical evaluation studies for the chemical fertilizer complex to be constructed in southern Turkey which will be finished by September 1983.

They noted with satisfaction the progress made in the sphere of cooperation in tourism and in technical exchanges relating to the agricultural sector.

They expressed their satisfaction with the decision of the two countries' national airlines to cooperate in exploiting an airline between the two countries from an intermediate point. In addition they noted that a new maritime agreement would be drawn up as soon as possible.

The two sides reaffirmed their conviction that the cooperation between them thus established in various spheres of their economy is a practical example of South-South cooperation.

CSO: 4500/231

HA'ARETZ ON BEGIN'S GLOOM, INTROVERSION

Demonstrators Support Begin Policy

TA170846 Tel Aviv HA'ARETZ in Hebrew 17 Jun 83 p 14

[Commentary by Yehuda Litani in the "Political Diary" column: "Begin's Lost Joie de Vivre"]

[Text] Coming back home to his residence in the Rehavya neighborhood of Jerusalem every day, in the last few days Menahem Begin has seen, in addition to the veteran demonstrators--most of them reservists from the year-long battles in Lebanon--also new demonstrators, supportive of himself and his policy. The latter are headed by M. K. Me'ir Kohen-Avidov, who has been staging a hunger strike.

What does the reticent, gloomy and moody Begin feel at home when being frank and honest with himself? That is only known to members of his office and family. His public appearances--like the one last week in the Knesset--are rare. It is not only the Israeli press that is forbidden from entering his office, he has turned down strongly requests for interviews by well-known reporters from abroad and the large television stations. Believe me, one of his associates told me last week, a most prestigious and widely-read newspaper in the United States has offered to fly to Jerusalem the entire editorial staff in order to talk to him, and he declined this too.

Only skimpy details can be divulged from his close circle, whose members provide a lot of information on the fact that he grieves over each new victim in Lebanon, that the great drop in his spirits began with his wife's illness and continued upon her death. Last week for example, they said, the hospitalization of Simha Ehrlich made him even more introverted.

The explanation for this provided by the opposition members and various journalists, who claim that Menahem Begin believes that the entire moves of the war in Lebanon were wrong, is simplistic--a man who is well-acquainted with him says. Begin is convinced to this very day that man says, that the moves were right, although he harbors some grudge deep inside particularly toward former Defense Minister Ari'el Sharon for the times he misled the others and admitted half-truths in the course of the past year. Although he bleeds over the casualties, Begin is convinced that the truth and justice will come out in a few months, and that the agreeemnt with Lebanon will be implemented to the letter. Begin likewise names a number of achievements that everyone can see even now: The marked improvement in relations with the United States, a change in Israel's image in Europe and a substantial weakening of the PLO.

However, that man continues, the process that began 2 years ago has been enhanced in the past year: Begin has lost his joy of ruling, and pleasure of power. He would actually like to retire, but on two conditions: First, that this be done honorably, and not in a way that might be construed as admission of the failure of the entire Lebanese move; and second, that a man to his liking rise to the premiership or ascend to the leadership of the Likud, a man about whom it could be said that he follows in Begin's footsteps and toes his line. No such man can be found around him now.

In the past, that associate continues, Begin had complete and discernible pleasure out of every moment in his business. He derived pleasure from occupying the chair of Ben-Gurion, Eshkol, Golda and Rabin. His eyes glittered whenever he heard any of his brilliant witticisms. He glowed over teasing his adversaries. But today it looks like everything has stopped short. He is bitter with the opposition members and the press for "not understanding," for "being impatient," "for not being patient enough to wait it all out," and mostly for breaking national unity, something which he, he believes, did not do when in the opposition. His friends have been urging him to pull himself together, but he has refused. He is satisfied merely with his close circle and with his frequent conversations with son Binyamin-Ze'ev.

POST Analyzes Begin's Condition

TA160721 Jerusalem THE JERUSALEM POST in English 16 Jun 83 p 8

[Commentary by Asher Wallfish: "What's Happened To Begin?"]

[Text] The political paranoid must always find some outsider to blame for the woes of his party or his nation. He cannot explain their problems in any other way than by pointing to some external, hostile source.

And since parties and peoples have foes all too often, the political paranoid has an easy answer for most troublesome situations.

But the moment a political paranoid is lucid enough to acknowledge that not all the problems can be blamed on external factors, such as international aggression, intercommunal hatred, or interreligious persecution, his routine pattern of thinking and behaviour is thrown in disarray. His resultant confusion may express itself in depression, or in an outburst of agitation, even hysteria.

The pattern of thinking will normally resume its old form if a fresh source of hostility sends political adrenalin coursing through the veins of the political paranoid. Sometimes the new hostility is the result of his own provocation, conscious or unconscious.

It would be all too easy to pin the political paranoid label on Prime Minister Menahem Begin. To do so could be unprecise, or unfair. But not unthinkable.

Ever since he became politically aware, in his teens in Poland, he always derived much of his vigour and his energy from his will to blame the woes of the Revisionist Party and the Jewish people on their respective rivals or foes.

Begin was most dynamic when he had enemies to attack; hostility to castigate; and persecution of Jews to condemn. He pointed to dangers and threats of destruction and persuaded many to arise and counter them. No wonder Begin was most credible as leader of the Irgun underground, then as leader of the parliamentary opposition. No wonder he was one of the Knesset's most arousing speakers ever.

But these days the man is down in the dumps. The public sees him sitting there, dejected and silent, as though obsessed by troublesome thoughts. In cabinet sessions he is said to speak more sparingly than hitherto, and to assert his authority more sparingly than hitherto. Many matters do not appear to command his concentration, it is said.

When aides give the PM dispatches about casualties in Lebanon, Begin reportedly receives them like a physical blow.

He rarely makes public speeches. He does not visit IDF wounded in hospitals. He does not go to soldiers' funerals.

The upset in his pattern of thinking obviously reflects an inability to trace any connection between the woes of the nation and the responsibility of outside hostile factors.

He feels he has nobody to blame but himself, in other words. The Arabs and the goyim [non-Jews] are out of the picture. Unlike Foreign Minister Yitzhaq Shamir, Begin has no hysterical reproach for the opposition, no wild warnings to the opposition about its responsibility for soldiers' blood. Begin has more sensitivity than that.

There is no question about the prime minister's pain at the loss of his wife. There is no question about his pain at the continuing casualties in Lebanon. But his grief over the casualties is unlike yours and mine because he knows he might have decided differently had he taken the possibility into account last year.

His lack of a target increases his frustration, and his frustration increases the recurrent withdrawals from what is going on around him, until some major issue summons him back.

When he comes back, much of the old Begin style reasserts itself, though not all.

Begin's streaks of dispirited behaviour recall his low profile of over 2 years ago, through the winter of 80-81. Commentators at the time rooted his withdrawal symptoms in his previous ill health, but they also stressed the pain he felt at the bickering inside the cabinet, and at the poor image of the coalition in public opinion polls. The result was a wave of rumours that he was too depressed to serve as an effective public leader. He was described variously in THE JERUSALEM POST at the time as "ailing," "listless," "ineffective" and "non-functioning."

In fact, then as now, he was dejected because he could find nobody to blame for the internal disintegration and no external reason why the Likud should be failing, apparently, to reap the harvest of its election victory and its Camp David success.

Then all of a sudden he got a shot in the arm. The Likud's comparative success in the Histadrut elections awoke him from his lethargy. From then on in April 1981, he never looked back. His confidence was restored. He made the Iraqis, the Syrians and the PLO the targets of his wrath and the objectives of his policy.

Begin's followers, knowing how he reacts vigorously to manifestations of support and adulation in large crowds, are already planning to organise mass rallies and demonstrations in support of the government. They hope by these or other means to jolt the prime minister out of his mood.

Begin's control over his cabinet has slackened but it has by no means vanished.

He coasts along when things come up which are beyond him, like economics and the doctors' strike and teachers' demands. But he snaps out of it when crucial issues come up. He handled the Sharon call for an inquiry in the cabinet last Sunday with political acumen, letting ministers sound off, while bringing them firmly round at the end to the formula he had previously shaped with the former defence minister. He handled the reply to the alignment and Shinui calls for a commission of inquiry in the Knesset yesterday with ingenuous appeals to the opposition to drop the subject because "who needs it?"

He did not say anything to create antagonism and whip up a row because he was trying, perhaps desperately, to seek some common denominator. Like the shrewdest of shrewd politicians he always was, he decided in the Knesset to make use of the coalition majority as painlessly as possible.

CSO: 4400/383

HARIF ANALYZES BEGIN MOODS, ACTIVITY

TA101117 Tel Aviv MA'ARIV in Hebrew 10 Jun 83 p 13

[Commentary by Yosef Harif: "Herut Movement Leaders Rushed to Begin and Asked Him to 'Take Off the Kid Gloves' and To Put an End to 'The Vote of Silence'"]

[Text] When Menahem Begin read last week the "weekend literature" devoted primarily to the first anniversary of the war in Lebanon, which made him the chief target of sharp criticism, he remarked bitterly: "They are stabbing me with poisoned needles."

Actually this is an ongoing process, which peaked before and after the anniversary of the war. His colleagues, who have become torn by despair and who argued during a meeting with him last week that "this situation" could deteriorate and push them out of the leadership of the country, did not emerge any more confident after that meeting. Begin listened, and for the moment did not voice his own remarks at all. Ministers come and go to the prime minister's office, voicing their advice that the prime minister ought to cease his unnerving silence, because we are in fact already in the midst of the election campaign forced upon Israel by the alignment, adding that all the criticism directed against him personally has only one aim: To overthrow the government. Yet Begin still cloaks himself in silence.

Many reasons have already been given to explain this prolonged silence--pain over the fallen in Lebanon, whose numbers still rise even these days, a year after the war; anguish over the plight of the POW's, with whose parents he meets often; anger at the strife within his very own camp, where people cut their noses to spite their own faces; and the ailments of the economy and the doctors' strike, with no end in sight. Not a day passes without a fresh new blow to upset the prime minister. Deputy Prime Minister Simha Ehrlich appeared all of a sudden on television, only to accuse the former defense minister of withholding information from the cabinet during the crucial, fateful moves of the war; and Sharon from far away suggests setting up...a commission of inquiry, just as the opposition is demanding--a demand which the prime minister would have rejected at the Knesset, if that had been up for discussion there last week. And then suddenly a minor "Hofi affair" emerges, running aground on the shores of the prime minister's stand. And he, Menahem Begin, must digest all this, which has become his stale daily bread: "What can one do," he said despairingly, commenting on the deputy prime minister's bizarre appearance which has added to Begin's bagful of external woes yet another, voluntary problem in the domestic domain. This is the old hatred Simha feels toward Arik...."

"But all this is happening only because you, Begin, are not demonstrating authority and leadership," he was told. "If only you would rise up, shake things up and react properly. Even within the ranks of the Likud things would have been different then, and the alignment, too, would not have dared do what it is doing...."

Yet Begin remains mum. Can he not see things the way others do and realize that this way everything around him "is disintegrating and falling apart?"

How does he explain, and what is the logic behind this weird conduct, his colleagues and associates asked themselves, and sometimes even Begin himself (without getting a satisfying answer that would instill new hope in them). His physicians say that his medical condition is sound. In view of his thinness, the prime minister was examined by two internists and heart experts not long ago, and was found to be "quite in order." No fault, one is told, can be found in his everyday work. He is aware of every detail and knows everything about everything (including what is happening in the political kitchens), and he is involved in every decision. Yet this merely serves to make the question, or mystery, all the more poignant: "Then why is he keeping still, seeing that people are 'getting on his back' the way they do, stabbing him with 'poisoned needles?'" Can a leader afford to lapse into such "moods," his colleagues will query him to his face, or behind his back, just because we have sustained casualties in the course of a war? Did we not know that by launching a war intended to secure our northern border for generations to come we would be required to pay a price? During the war of attrition (in the Sinai) alone hundreds of soldiers died, but did the then prime minister get into such a phase, vanish from the political scene, and escape the media? Is it not the true test of a leader when, rather than encouraging the people and telling them that their sacrifices are for a cause, he grows more and more introverted, along with his pain, with nothing to tell the people at this juncture?

His colleagues and associates are speechless and shocked seeing him turn into some kind of tether ball which everyone hits with fury and full force, while he absorbs it all and refrains from reacting....

This, no doubt, is a mystery which has justifiably worried both the political scene as well as possibly the political world outside Israel, if one is to judge by the degree of interest shown by the foreign diplomats in Israel.

This week we heard the following explanation for this conduct of the prime minister from the prime minister's inner circle, and it sounds reasonable enough. If this truly is the honest reason for this politically uncommon phenomenon, it will be tested very shortly. According to that explanation, "there is a limit to the prime minister's patience," and if he reaches the point where he thinks there is no other choice and he must react because an absence of reaction on his part would only further exacerbate the situation he wished to avoid even at the cost of agony and humiliation for himself, he will abandon the course of silence.

When, then, has he not reacted so far? After all, ever since the unprecedented verbal violence has taken over the political scene, no one can deal with his assailants in a different manner than they employ against him!

Well, Me Begin is aware of the limits of his power. If he talks to his political adversaries at home the way they are now talking to him (he has not forgotten that on Rosh Hashana several MK's came to his house and called him "murderer" while he was still unaware of what was then happening in Sabra and Shatila), then the possibility cannot be dismissed that this would trigger a deterioration that could actually lead to a civil war. If he comes out with the accusation that a large part of the trouble that has befallen us in the last year stems from the conduct of opposition elements from the political, parliamentary and extraparliamentary constellation linked and affiliated with the political elements in the opposition, and every often motivated by them, if this is his "j'accuse," then it is not difficult to think what would happen to Israeli society. It is, after all, no secret that tens of thousands, if not more, would just as soon believe the prime minister as the "j'accuse" voiced by the marginal groups, even within the alignment itself. This means that the moment Begin is forced to present his credo against that of the opposition, which has been calling for the ouster of the cabinet, the public debate--or the last election campaign that had been the cause of such deep concern for Israeli society for its violence--would emerge snow-white and childlike compared to what might take place now.

Begin evidently thinks that engaging in polemics at this point in time is exceedingly dangerous, as long as the army--everyone's army--is still confined to Lebanon. In his last appearance at the Knesset last week, Begin appealed to the opposition benches and mentioned the need to observe unity in the face of the danger to Israel from Syria. He is, in the final analysis, not only the prime minister of the Likud; he is the elected prime minister of the country, also the alignment's country, and as such he cannot right now engage in Polemics with his adversaries while the war is still going on. Therefore he is taking it all with pain and suffering--but keeps silent. If this is truly the correct explanation to the secret of his silence, then it takes very noble courage and spiritual strength for a man to stand this.

When asked once not too long ago how he could tolerate this awful situation, faced with the deeds and words of his opponents, he replied: "...I am used to this...they have no restraints and are capable of anything. The hatred and envy drives them out of their minds."

The people who have discussed these developments in the domestic arena with him told him that the impression is sometimes created that the opposition is doing everything to prove that its thesis, namely that the war in Lebanon was "a fiasco," is true. And how can this be "proved?" By arguing constantly that the victims fell for nothing, and that Israel has achieved nothing....

Begin had an answer for this, but was not dragged into "a debate" on the nature of the opposition's behavior. "The time will come when we will deal with this, too," he said, making this brief rejoinder all he would say.

Only occasionally would something of his inner thoughts surface: First Peres accused the government of a "blunder," and for having brought the relations with the United States down to their lowest nadir ever because of its moves, and that now that the relations with the United States are excellent we--Peres accuses--take too much consideration of the United States. (Peres: "We are not the Americans' subordinates, and we do not receive orders from them....") Peres then suggested that we carry out a unilateral withdrawal, knowing full well that such a move would again cast a shadow over our relations with the United States....

Moreover, the contention that "we should not get killed for the Americans" is no argument at all, and is invalid, because we are inside Lebanon not for the Americans but for us. When we talk about the need to coordinate with the Americans on everything pertaining to the withdrawal of the Syrians and the terrorists from Lebanon, or, in the absence of any other alternative, about an IDF redeployment along more convenient lines in Lebanon, we are not taking the United States into account but ourselves, and we will ultimately do what is best for us. Incidentally, even Yitzhaq Rabin, who favors a unilateral withdrawal under certain conditions and who is somewhat--at least in this respect--closer in his views to the cabinet than to the opposition, mentioned to his fellow Knesset members that he does not understand Shim'on Peres' argument on this. Peres talked about a withdrawal and the establishment of "red lines"--will the IDF then fight again in order to retrieve the area from which we will withdraw? This is the bottom line of Peres' Knesset statements....

Generally speaking, Begin regards the dispute with the opposition as dangerous, "for as long as our soldiers are in Lebanon" and for as long as there is some feasible chance of implementing the accord with Lebanon, to which the United States is guarantor. He thus finds it convenient to exhaust the political process that could still perhaps lead to the withdrawal of the Syrians and the terrorists, or set interim arrangements agreeable to the United States and conduct the argument with the opposition later. This to him is preferable to reacting to the violence toward him, and thus risk a civil war.

"Even" Begin understands what lies behind the "personal" assaults on him these days. The alignment thought that only four or five persons in the cabinet prevented it from returning to power: The prime minister, Arik Sharon, "Raful" [former Chief of Staff Refa'el Eytan], Yoram Aridor and David Levi. It was clear to the alignment right from the start that there is no sense "touching" David Levi, who is acceptable to all the ethnic-oriented members of the alignment. There was therefore a need to "eliminate" the other four, one after the other. They encountered success: Sharon left the Defense Ministry and suffered a loss of prestige (but to make sure that his standing is not restored, the venomous campaign against him continues, not without the help of his "friends" in the cabinet...). "Raful" concluded his term, Yoram Aridor was presented as the one responsible for all the economic structure's malaise, and one must admit that the alignment scored some points in this campaign. Only one remains, and if they succeed in shaking his public standing, the return to power would be almost secured: That is Prime Minister Menahem Begin.

To repeat, "Even" Begin knows this, which is why his associates will tell you that his patience, too, is running out, and that the time is getting nearer when he will no longer be able to refrain from acting, if only for the reason that under the circumstances that have developed, absence of reaction is worse than the Polemics he wishes to avoid. Begin has apparently become convinced that by using violent measures the opposition has long ago breached all the acceptable rules of the game employed even in political opposition or competition.

There is therefore no wonder at the suspicion that things are being motivated by political reasons lurks behind nearly each and every matter, beginning with the demonstrations staged by the "there is a limit" group and all sorts of other objectors, through the demonstrations expressing support and solidarity, to leaks from a limited military forum on the remarks made by the former "mossad" head, Yitzhaq Hofi. (Incidentally, is it really not very strange that things are being leaked from such a forum of prospective "mossad" and intelligence personnel, the only people who are expected to be trusted to know the country's greatest secrets?)

Perhaps it is this reality that leads Begin to realize that there is no point in restraint and in continuing to decree silence, while the other party chooses deeds and actions indiscriminately.

Perhaps Begin has waited all along for the arrangement with Lebanon to be completed with the help of the United States, which has often repeated its belief that "the Syrians would ultimately leave" Lebanon. In this respect one ought to say that this is a "target date" that can no longer be trusted, and that if the prime minister has anything to say to the people, he would do well to say it now. However, it appears that Begin himself has already been convinced of that and is no longer preconditioning his reactions at home according to specific political developments.

Perhaps his reactions to what U.S. Ambassador Samuel Lewis said to him upon taking leave prior to his departure for Washington is in line with the above. Lewis asked: Is there anything specific you would like me to take back with me to Washington?

"No," Begin replied, "all I had in my mind and in my heart you have already heard from me...."

The impression is that there is really not much point weighing actions here according to the expectations of what might happen "in the next few days" thanks to the U.S. activity.

Judging by the contacts and conversations held by authoritative Israeli representatives with members of the administration in Washington over the last few days, the U.S. administration currently is in a state of confusion. It has no direct contact with Syria and is not at all certain that its proxies, in the form of Saudi Arabia, North African elements or European bodies could persuade the Syrian strongman to enter into a process of negotiations for the removal of its forces from Lebanon.

Now Washington admits that the United States has miscalculated and erred. This was conceded by one of the administration members who talked to Deputy Foreign Minister Dr Yehuda Ben-Me'ir. Perhaps, the man said, we should have taken earlier action toward the Syrians, in which case we could conceivably have obtained the withdrawal of all the foreign forces from Lebanon months ago.

As will be recalled, Israel had urged the United States to hold a dialogue with the Syrians. This was done by Foreign Minister Yitzhaq Shamir during each and every conversation he had with Envoy Habib, but the Americans ignored Israel's appeals and argued: Once the last Israeli soldier leaves Lebanon, the last Syrian soldier will likewise not be found there. Whether this was baseless presumption or simple naivete, one thing is clear: The United States, too, has learned something from the Lebanese affair, and it admits as much.

Right now it looks as though the United States has no clearly defined line to follow in obtaining the objective of removing the Syrians and the terrorists, and had no suggestion or recommendation except the request that it be allowed to "exhaust" all the possible moves.

During his very first meetings with some senior U.S. administration officials, the new Israeli Ambassador Dr Me'ir Rosenne, found out that the Americans are trying to use "every measure" against the Syrians ("we have approached the Europeans," his interlocutors disclosed), but so far to no avail.

Under these circumstances, what is left for the United States to do is to ask that Israel abstain from withdrawing, at this stage, and that it demonstrate steadfastness. Only the Israeli adamancy, the Americans believe, could constitute a deterrent vis-a-vis the Syrians and could ultimately prompt them to leave Lebanon. Things along this vein could be heard from Ambassador Lewis, and this is what Foreign Minister Yitzhaq Shamir also heard from NATO chairman Joseph Luns.

The Americans were apparently worried about the internal dispute in Israel, effected by the alignment, over the question of the unilateral withdrawal. They feared that the Syrians would read the "Israeli map" wrongly and would either initiate or be dragged into waiting for a clash with the IDF in Lebanon.

Why did Begin not see it necessary to repeat the Israeli position to the United States through Ambassador Lewis?

Apparently he wished to make it clear to Washington that the ball is currently in its court and that it should show what it can do. The Israeli pressure, in the shape of the different deployment of the IDF in Lebanon, is pending and there is no point repeating it. On the contrary, Israel's silence could only move to prompt the United States even further into acting strongly and firmly, since the United States knows that in view of Syria's refusal to withdraw its forces from Lebanon, the new IDF deployment in Lebanon means only one thing: The de facto partitioning of Lebanon and a blow to the U.S. status not only in Lebanon but throughout the entire area.

Hence the courting by the United States of Israel, followed by similar courtship moves by the majority of the EC countries. Shultz has personally approached the leaders of the European countries with request that they revoke the punitive measures they had earlier adopted against Israel in retaliation against its invasion of Lebanon. And so indeed most of the countries, except Greece and Ireland--as Shamir learned in the course of his tour--have actually decided to do so. Furthermore, the politicians whom he met admitted that they entertained false suspicions about Israel when they thought that it sought to take over parts of Lebanon under the pretext of war against terrorism.

Thus the political situation is fine: The Europeans have said that they are looking to the United States to demonstrate a firm policy in Lebanon because the EC cannot do much beyond its participation in the Multinational Force; and the United States wishes to convince Israel that it is doing everything to implement the Israeli-Lebanese accord, and that it will not allow this to be "reopened," or submit to Syria's demands that the Lebanese-Israeli agreement be altered in return for its consent to withdraw Syrian forces from Lebanon.

But beyond this U.S. show of goodwill, it has so far not shown any substantive signs that would indicate that it is capable of bringing about the removal of the Syrians within a reasonable period of time.

The alignment's suggestion, discussed last week at the Knesset, on a unilateral withdrawal appeared strange and imbalanced to the cabinet, which thought that the whole idea stemmed merely from the alignment's desire to make things difficult for the cabinet and reap political capital from it. After all, if the alignment's proposal also mentions coordination with the United States, then where is the fundamental difference between that suggestion and the government's position?... Perhaps, then, the alignment wanted to prove to the public that the cabinet (which anyway said that it has no intention of allowing the United States to handle the steps to exhaust its move endlessly, but that it has in mind a matter of a few weeks-- Defense Minister Moshe Arens emphasized) will in effect do what the alignment had earlier suggested....

At any rate, since by assailing the cabinet in general and the prime minister in particular the alignment and its lackeys breached all the acceptable, common rules, we will witness in the next few days new peaks in the internal struggle for power.

Even if Begin hesitates to launch a counterassault in the full force to which we have grown accustomed, which usually includes the frenzied mob, his friends will take real action, as Deputy Prime Minister David Levi declared this week. The feeling in the Likud is that the alignment is succeeding in evoking a mutiny of the man in the street against it, and "eliminating" its leaders one by one, and has even gone as far as Menahem Begin in the personal conflict--and quite successfully, too. This has sounded the warning signal with the Herut leaders, and sent them running to the prime minister last week with the demand that he put away the kid gloves and put an end to the "sworn silence" he has decreed upon himself.

In the next few days, possibly already early next week, we will know what remains of Begin's power after the alignment has--as everyone would agree--managed to cut off at least some of his hair.

REASONS FOR BEGIN LOW PROFILE ANALYZED

TA100747 Jerusalem THE JERUSALEM POST in English 10 Jun 83 p 7

[Mark Segal's column "Public Faces": "Highs and Lows"]

[Text] Begin's image seems to have improved on the other side of the Atlantic. One thousand top Americans, recently polled by U.S. NEWS AND WORLD REPORT, ranked Begin third on the list of "most influential" foreign statesmen, just behind Britain's Margaret Thatcher and the Vatican's Pope John Paul II.

That's an impressive ranking, particularly when it is considered that the leader of little Israel is considered to have greater influence than Soviet bossman Yuriy Andropov, who was only fourth. Of course, as some Americans pointed out to me, this means that Begin is respected--but not necessarily loved--in the U.S.

Returning home after several months in America, I was therefore surprised to note the low Begin profile here. The tone emanating from the Prime Minister's Office is most subdued, with even effervescent chef de bureau Yehi'el Qadishay and Begin personal secretary Yona Kilmovitzky more muted than usual.

Beginologists don't agree on the cause of what someone called the premier's resounding silence. Some see it as the bottom of a typical Begin behavioural curve, recalling a parallel dip in 1980, followed by a sharp upswing in time for the 1981 elections. There's nothing wrong with Begin that an audience of 1,000 Jews can't cure, they argue.

Another school of thought has Begin burdened by the Lebanese morass, and the continuing casualties, even though--unlike Golda Me'ir after the Yom Kippur War--he has refrained from visiting wounded in the hospital.

Those expressing a third point of view seem to make the strongest case. They assert that Begin's continuing depression is a result of his inconsolable grief for his late wife, 'Aliza, who was his closest confidant for 42 years. Since Mrs Begin died last November, their daughter Le'a has been running the prime ministerial household, with married daughter Hasya Milo constantly at hand.

Meanwhile, firstborn Dr Binyamin Ze'ev Begin has become his father's constant companion. The 40-year-old son's influence on Begin has been known for some years.

The junior Begin, who is known for his strongly rightist views, has always sought to keep out of the public eye. Therefore, many people were surprised when his father took the unprecedented step of bringing him along to a ministerial meeting on the doctors' strike. In Herut, that move triggered a flurry of speculation among the faithful, with some wondering out loud whether their leader had dynastic plans.

While Begin has made no public appearances lately (he even stayed away from the stormy midweek meeting of the Herut secretariat), he did manage to devote 45 minutes to a meeting with Canadian Jewish Congress president Milton Harris. In addition to briefing Harris on the intricacies of the Lebanese situation and expressing his disappointment at King Husayn's refusal to enter the peace process, Begin engaged his guest in a lively discussion of Canadian politics. Harris, who is a member of Premier Pierre Elliot Trudeau's Liberal Party, said that his host was most cordial, but that he seemed somewhat fatigued.

CSO: 4400/361

POLITICAL STANCE OF MINISTER MODA'I DISCUSSED

Jerusalem THE JERUSALEM POST in English 13 May 83 p 4

[Text]

ENERGY MINISTER Yitzhak Moda'i sent currents vibrating through the political system last week with a dramatic swipe at the pact with Lebanon approved by the cabinet and the announcement of his intention to break away from the Liberal Party with at least four of his supporters and set up a separate faction within the Likud.

During an interview with *The Jerusalem Post* in the MK's restaurant at the Knesset this week, Moda'i was surrounded by busy aides, journalists curious about his political plans and members of what may be dubbed his Gang of Five. He was in a buoyant mood but seemed a bit tired.

I had been warned that he had imposed a blackout on news about his plans. But like other politicians, what he says he won't talk about is what he really wants most to discuss. And since I caught him just after an hour-and-a-half's meeting with his fellow rebels, the subject was unavoidable.

"We are going through with our plans to set up a new faction true to the old Liberal spirit," he began, "but I promised Prime Minister Begin that we would wait until the end of next week before taking any formal steps. He said he needs that time to decide if he can meet our request to set up a separate faction within the Likud."

What if this proves impossible due, say, to objections from his (soon-to-be) ex-colleagues in the Liberal Party? "It's too soon to tell what the alternatives might be. We'll wait for a reply from Begin first."

OBSERVERS familiar with the hard-bitten, cynical world of party politics — and especially the perennial struggles among the Liberal warlords — see the planned split as the result of a steady dwindling of Moda'i's power in the party. His faction emerged from the 1981 party convention as the most powerful, but his supporters have lost a number of internal party contests since then, and his relations with the other Liberal ministers, never too good, have deteriorated.

The last straw, these observers say, was the recent failure of his supporter MK Pessah Grupper to win a vacant Liberal seat in the cabinet. The party majority voted instead for MK Sara Doron, whose nomination has not yet been approved by the Knesset because of opposition from Agudat Yisrael and the disarray among the Liberals.

Moda'i denied emphatically that personal power considerations for him or his supporters were the main factor behind the planned split. He also sought to quash any notions that he is using the waiting period that ends next week to work out a better deal within the party for his supporters, and thus avoid a split. At this point, who should chance by but Grupper.

"Paysie," Moda'i called out to him, "You don't want to be a minister, do you?"

Grupper stopped to reflect for an instant, and said, "Well..." Then he glanced slyly in my direction, and asked, "Who is this, anyway?"

He never answered the question about his ministerial ambitions, but joined us and pulled from his pocket

a piece of paper on which he had scrawled a list of the issues the new faction wants to push. "Compulsory arbitration in the public services, national health and pension plans, minimum wage, abolition of rent control, reducing the number of taxes, a second television channel," he intoned rapidly before Moda'i's aides cut him off before he could spill any more beans from the meeting. But the minister was not going to waste those that had already fallen into my lap.

"From that you can see," Moda'i said, "that our group wants to work to implement the true Liberal platform on economic and social issues, including the Liberal clauses in the coalition agreement that have so far been a dead letter."

"Who has blocked what was promised us in the coalition agreement? Other Liberal ministers? Who is obstructing the arbitration proposal and the second TV channel? Gideon Patt. Who voted in the cabinet for the travel tax? The other Liberal ministers, not me."

Other members of the Gang of Five include MKs Pinhas Goldstein, Yehuda Perah and Benny Shalita. Moda'i was confident that once the split became a fact, other Liberal MKs such as former energy minister Yitzhak Berman, Dror Zaigerman and Dan Tichon would join them.

"There will be more, too, leaving behind what will become the Liberals *Bei*," he said, alluding to the split during the Mandate period between the *Aleph* and *Bei* factions of the General Zionists, the Liberal Party's forebear.

The group will also focus its attention on the country's woeful economic situation under Finance Minister Yoram Aridor, which Moda'i has criticized on several occasions over the last few months. This past week, however, Moda'i and Aridor seemed to be close to resolving their latest fracas over the funding of the next stage of detailed planning for the Mediterranean-Dead Sea hydro-electric project. Moda'i needs \$12.5 million to keep the planning on schedule for completion by 1985, but the Treasury is willing to provide only \$5.5m

TURNING TO the subject of Lebanon, Moda'i wanted to set the record straight on what he did and did not say last Friday about the agreement. He was quoted by *The Post* and other media as having said that if he had known months ago what the terms of the agreement would be, he would have opposed the war in Lebanon, or at any rate its expansion beyond a certain point.

Not so, asserted Moda'i, now with a more serious note in his voice. "Whatever the terms of the agreement, which I view as 'not good,' the war resulted in definite achievements. First, we broke the military power of the PLO, which inflicted damage on the Galilee from its base in South Lebanon, and in Beirut we smashed the PLO's centre of international terror, which had aimed its attacks against Israeli installations and Jewish communities abroad.

"Second, we demonstrated the superiority of Israeli and Western weapons. We inflicted blows such as the destruction of the Syrian missiles, the likes of which none of our enemies had suffered in previous wars. It will take them many years to recover their losses, not to mention their morale. I wouldn't like to be in the shoes of a Syrian air force pilot sent on a mission against Israel now.

"Third, the war will most likely result in the withdrawal of all foreign forces from Lebanon, thus removing the PLO and the Syrian threats from that front.

"And fourth, the aftermath of the fighting brought the United States back into the Middle East. Now it has a military foothold in Lebanon, and the Lebanese government must depend on the U.S. to ensure the sovereignty and survival of the country."

THE AGREEMENT forged through American mediation defines a security zone extending roughly 45 km. from the northern border to be patrolled jointly by Lebanese, Israeli and American forces. The southern strip of the zone will be policed by a "territorial brigade" composed of 800 of Major Sa'ad Haddad's best-trained men, with Haddad as deputy commander in charge of intelligence and

counter-terror operations. A brigade of the regular Lebanese Army will be responsible for security in the northern part of the overall security zone.

Moda'i believes that in its present state, the Lebanese Army is not capable of preventing PLO infiltration and attacks on Israel's northern settlements, "even if it is willing to try to keep them out. The promises of American aid to rebuild the Lebanese Army will help some five years from now, but in the meantime a danger exists."

Elaborating on the distinction he has made between Israel's moral commitment to Haddad the individual and the security condition of "Haddadization," he said that Israel will assure a solution for the major personally.

"After all, he's not Napoleon," he commented, "but what we failed to get in the agreement was Haddadization, or a framework for a strong Israeli involvement in South Lebanon under formal Lebanese rule. During the months of negotiation, we gave up our demands for freedom of movement for our forces and our own bases, not to mention normalization of relations."

"I expressed my reservations in the cabinet last Friday, but added that the agreement should be approved despite its shortcomings. As I told my colleagues, if we fail to approve it, the current unstable situation in Lebanon might deteriorate further. If the Syrians refuse to accept it, then we're covered with the U.S. I think they'll accept it eventually, though."

"There are ways, not written in the agreement, which permit us to improve our security situation within the terms of our relations with Lebanon. As you know, Lebanon does not have a strong government, and it doesn't represent all groups or areas. This creates possibilities..." Here he seemed to hint at the potential for direct al-

liances with various groups in the Lebanese patchwork which share security interests with Israel.

What prevented Israel from getting better terms from Lebanon?

Moda'i does not accept Ariel Sharon's thesis that if not for American "interference," the Lebanese would have given us practically all we originally wanted. "Lebanon doesn't exist in a vacuum. If the Lebanese had only themselves to worry about, they probably would have been willing to accept more Israeli involvement and full normalization. Both the Lebanese and the Americans had Syria to consider in negotiating the agreement."

EXPLAINING his statement last week that "I would have voted differently had I known," Moda'i said that this referred to the stage of the negotiations last October, when Israel presented its demands to Lebanon and the U.S.

"Had I known then that these demands would be whittled down to what we have now, and that we could have avoided the dreadful winter in Lebanon with all the casualties, I would have been ready to accept less. But, then again, no one could have known what was to happen."

He asserted that "voting differently" did not refer to the opening stage of the fighting.

"I supported the cabinet's decision to get the PLO out of artillery range of our northern settlements, and the later decision to advance to the Beirut-Damascus road when the other side failed to honour the cease-fire that we had agreed to unilaterally. Of course, there were obvious advantages to pushing towards Beirut, such as facilitating the election of Bashir Jemayel to the presidency and bringing our forces within striking distance of Damascus. "But," he maintained, "if they had kept the cease-fire, we would have stayed put." □

IMF SHARPLY CRITICAL OF ISRAEL'S ECONOMY

TA131315 Tel Aviv YEDI'OT AHARONOT in Hebrew 13 Jun 83 pp 1, 7

[Report by Dov Genehowsky]

[Text] Very sharp criticism of the treasury's policy is included in an IMF report about the Israeli economy. The report was submitted to IDF member countries, including Israel, but its contents were kept secret. It expresses distrust in the treasury's forecasts about the expected rates of inflation and the deficit in the balance of payments, it recommends an acceleration in the devaluation of the shekel and a salary decrease in real terms.

The IMF is a sort of international "central bank" that provides funds to member countries to avoid financial complications. Among other things, the IMF conducts a professional examination of the economic policies of its member countries. Following are the main points of the report and the IMF's recommendations:

--Devaluation of the dollar: Contrary to the treasury's opinion, the IMF believes that the slow rate of the devaluations--which adversely affected the profitability of exports--was the main reason for the drop in exports, the increase of imports and the growing deficit in the balance of payments. According to the IMF, the deficit in the balance of payments will this year reach \$5.3 billion and \$6.2 billion in 1985. Israel's foreign debt will amount to \$28.5 billion in 1985, according to the IMF. These forecasts are far higher than those of the treasury.

--Salary: As said, the IMF's position is that a salary decrease in real terms should be effected. It emerges from the report that while the finance minister tells the Israeli public that the policy is "to maintain salaries in real terms." Israeli representatives explained to IMF officials that 4 percent of the last cost of living increment had been "dropped" and that the current wage agreement was formulated in vague terms to make it difficult to calculate whether there has been an erosion in the salaries in real terms.

--Inflation: According to the IMF, the main cause of the three-digit inflation in Israel is Ehrlich's monetary revolution in 1977 which turned the dollar into a free currency, coupled with the large budget deficits. IMF officials do not accept the treasury's explanation about a "bubble inflation" influenced solely by demand, a demand which should be reduced. They claim that inflation was caused by the vast amount of money-printing due to large government expenditures.

--Taxes: According to the IMF, the government imposed more taxes than necessary last year to finance the war in Lebanon. The government was left with a surplus but the finance minister told the IMF that he intends to collect as much taxes as last year despite the cancellation of the Peace for Galilee government loan. In view of Aridor's remarks, additional heavy taxation should be expected. Nevertheless, the finance minister undertook to cancel the 2 percent levy on imports in March 1984.

CSO: 4400/376

SHARON CLAIMS ALL WAR MOVES APPROVED BY CABINET

TA100922 Tel Aviv YEDI'OT AHARONOT in Hebrew 10 Jun 83 p 1

[Report on interview with Minister Ari'el Sharon by Yesha'yahu Ben-Porat on the occasion of the first anniversary of the Lebanese war; date and place not given]

[Text] "Six months before the outbreak of the war, in December 1981, the cabinet was presented with various plans for an operation whose code name at the time was 'Oranim,' an operation which provided for arriving at the Beirut-Damascus highway, the takeover of Beirut, landing from the sea, and various other possibilities. I remember well that the plans were presented to the cabinet at a time when the prime minister lay in bed, wounded after an accident, in the second floor of his residence. The cabinet was crowded into a narrow and small room, but we sat there for many hours," former Defense Minister Ari'el Sharon stated in his interview with YEDI'OT AHARONOT, in which he actually replied to the questions that were raised this week regarding the war moves.

Sharon went on to say: "To come now and say that the cabinet was unaware of plans ultimately aimed at reaching the places the IDF did reach, is an absolute distortion of the facts. Everything was presented to the cabinet. There was nothing that was not presented to the cabinet, including during the period when Ehrlich substituted for Begin."

"I am ready to repeat it a thousand times and prove that everything I say is anchored in the minutes of the cabinet sessions. Not one move was not presented, explained or approved by the cabinet; there was not even one such move, and this includes the extension beyond the 40 km that the cabinet knew and decided about already on the night of 6 June, the closure of the Beirut-Damascus highway, and all the rest of the moves," Sharon said.

CSO: 4400/361

TIES WITH ZAIRE TO BE STRENGTHENED

TA100636 Jerusalem Domestic Service in Hebrew 0505 GMT 10 Jun 83

[Report by political correspondent Shim'on Schiffer--live]

[Text] After an extensive investigation, it was decided in the defense system to continue and strengthen the ties with Zaire. In a letter sent recently by Minister Arens to President Mobutu Sese Seko, he promises that Israel will fulfill all the agreements signed by his predecessor Ari'el Sharon. Zaire, the defense minister writes, has a high priority in Israeli foreign policies. Prof Arens apologizes for not having had time to take care of the ties with Zaire right after he entered office.

What is being discussed is extending the military delegation active in this country, whose task is to establish and train another presidential brigade in addition to the one being trained now. Israel will also continue to send combat equipment to Zaire. This means mortars, long-range 130 mm cannons, antitank cannons and armored trucks.

There was quite a bit of hesitation in the Defense Ministry about the system of ties established with some of the African countries during Sharon's tenure of office. Delegates were sent to check the various subjects, and some objected to the conclusions reached. In one of the African countries there was concern about this. The ruler of this country said that he did not sign the agreements with Sharon but with the State of Israel. In the end, after investigation, Minister Arens confirmed the steps taken in the past with one difference: The defense establishment will sit in the copilot's seat and let the Foreign Ministry lead the business of Israel's ties with Africa.

CSO: 4400/361

IRREGULARITIES IN W. BANK LAND PURCHASES

Purchase of Land

TA151255 Jerusalem KOTERET RASHIT in Hebrew 15 Jun 83 p 7

[Report by Yisra'el Segal]

[Text] State Comptroller Yitzhaq Tunik wrote a grave report critical of the activity of the cabinet and the other bodies operating at its initiative regarding the purchase of land from Arabs in Judaea and Samaria. A bitter parliamentary battle has been underway between the opposition and the coalition for 2 weeks now over the publication of the details of the report. The coalition wants to withhold the findings, while the opposition is fighting for the publication of the main findings. In accordance with international law and the Hague convention, the cabinet is not permitted to purchase land in the West Bank, but it nonetheless purchased some 70,000 dunams there, of which 50,000 were bought from inhabitants whose ownership over that land is either unregistered or fraudulent, and 20,000 dunams were bought from people who did not have a title deed proving the claimed ownership. In his report, the state comptroller reports for the first time the existence of "volunteers" serving as middlemen and mediators between the cabinet and the Arabs claiming ownership. He sharply criticizes the fact that these "volunteers" pocketed 10 percent of each deal as commission. Involved, apparently, are vast sums of money. The report states that the purchase deals conflict with proper administrative procedure. The comptroller maintains that the cabinet should not be involved in such transactions.

We have learned that all the private purchases of land in the West Bank, which have spurred such public furor, pertain to 4,000 dunams. The cabinet fears that the comptroller's report on the offenses and faults in the government purchases would stamp a mark of scandal on the settlements in the West Bank.

Government Land Purchases Reported

TA161007 Tel Aviv MA'ARIV in Hebrew 16 Jun 83 p 2

[Report by Aharon Pei'el]

[Text] The government, using "volunteer agents" some of whom have even been given fees, has purchased 140,000 dunams of land in Judaea and Samaria. This

has been learned by MA'ARIV. Last night senior sources in the Ministry of Agriculture reported that most of the areas of land purchased were and are defined as "land clean for purchasing," and the purchasers--the government, or anyone representing it--has purchased it legally. The site of the land was also known at the time of purchase, so that there was no question of buying land not registered in the land authority's offices in Samaria.

The MA'ARIV correspondent has also learned that this data was at one time brought to the knowledge of the state comptroller in the course of an examination the comptroller carried out regarding Ministry of Agriculture actions in purchasing land in Judaea and Samaria. However, senior echelons in the Ministry of Agriculture asked the state comptroller not to mention his findings on the scope of the purchase, and this data was indeed not published in the comptroller's report.

Yesterday M. K. Dan Tikhon, who is the Likud faction's coordinator in the committee for state control, accused the alignment representatives in the committee of leaking classified sections of the state comptroller's report about the matter of land purchases in Judaea and Samaria.

As has been published over the last few days, the state comptroller sharply criticized irregularities in the sale of land in Judaea and Samaria, including land deals carried out by the government. The alignment opposition last week demanded that the committee for state control publish the confidential report by the state comptroller on this matter. This demand was rejected by a majority of coalition votes, but nevertheless sections of the confidential report were leaked to the press.

M. K. Dan Tikhon is now demanding that the committee's chairman, M. K. Avraham Katz-'Oz (Alignment), convene the committee for an urgent discussion of the leakage of the confidential report.

CSO: 4400/383

LEBANESE BORDER CROSSING MOVEMENT REPORTED

TA160800 Jerusalem Domestic Service in Hebrew 0505 GMT 16 Jun 83

[Text] Here is a summing up of the movement of people across the Lebanese-Israeli border, a sort of normalization: Since the border between Israel and Lebanon opened, more than 50,000 people have crossed the border at Metulla and Rosh Haniqra. The IDF officer responsible for the crossing points says that the number of Lebanese coming into Israel following the agreement was not influenced by it, just as this traffic was not influenced by the terrorist acts, and remains stable. Gabi Zohar reports:

[Begin recording] [Zohar] A slight decrease had been registered in the number of Lebanese residents coming into Israel through the border crossings in the north. Many Lebanese residents preferred not to take advantage of the land crossing between the two countries and wait until the fate of the agreement signed between Israel and Lebanon is clarified. After 2 weeks of hesitation, the Lebanese returned to the border crossings on their way to Israel. In the last few weeks, a new population, from Tripoli and even the northern al-Biqa' which is Syrian controlled, was added to those coming from southern Lebanon and Beirut into Israel. Moreover, Colonel Doron, the commander of the border crossings in the north, says that the number of those coming into Israel has gone up despite the many terrorist acts in southern Lebanon.

[Doron] Apart from the inconvenience caused to the tourists passing near the site of an incident, we did not feel any stop in traffic at any time. Sometimes the traffic is not as heavy, but every day many Lebanese arrive here, with their vehicles, enter Israel and have a good time there.

[Zohar] The IDF is completing extensive reconstruction these days which will ease passage across the border at Metulla and Rosh Haniqra.

[Doron] The IDF has paved better roads, in accordance with national planning, in the northeast; that is in Metulla and in Rosh Haniqra, which will connect Israel with Lebanon, or Lebanon with Israel. And actually this is an expression of normalization. The minute there are better roads and the level of service at the terminals is higher, there is a chance that the traffic will increase.

[Zohar] As for the running of the border terminals, the airport authority, which was supposed to run the border terminals in the north, is not doing it yet, despite the request it received a few months ago. [End recording]

CSO: 4400/383

AREA VILLAGE LEAGUES WANT DUDIN OUT

TA100910 Tel Aviv HA'ARETZ in Hebrew 10 Jun 83 p 2

[Report by West Bank correspondent Tzvi Bar'el]

[Text] Some of the heads of the area village leagues want to bring about the ouster of Mustafa Dudin from his position as chairman of the Federation of the Leagues.

Various elements in the area village leagues have complained that Dudin has recently begun directly intervening in the activity of the area village leagues, and has begun dictating modes of conduct to some of their heads, without having the authority to do so. Dudin has simultaneously demanded that each area village league "contribute" large sums of money to the federation from its own funds to purchase a new car for the federation. It was noted, however, that the federation enjoys a budget that is close to 10 million shekels a year. Dudin's interference and demands are unacceptable to the area village leagues, so therefore some of them have decided to initiate a meeting very soon to decide, most probably, on his dismissal.

Sources in the area village leagues have also reported that there is continued interest in and the intention to obtain signatures for a manifesto calling for support for Jordan, despite the explicit instruction by Dudin that this activity be stopped. The sources noted that Dudin's order stems from his own personal considerations and motives. The head of the Hebron Area Village League, Jamil 'Amlah, who initiated the signature-collecting activity, refused to react to the instruction to stop collecting signatures for the manifesto, and elements associated with Dudin have said that "he was furious when he heard about the initiative, especially in light of the fact that King Husayn's brother, Prince Hasan, has refused to meet with him."

Dudin himself was hospitalized at the "Hadassah" hospital in Jerusalem last night for deteriorated physical health. He has long been suffering from a terminal illness.

The Civilian Administration will shortly begin carrying out money control and supervisory actions in the area village leagues. The staff officer for internal affairs in the administration, Shlomo 'Amar, has ordered the heads

of the area village leagues to transmit financial reports specifying their expenses and income, particularly insofar as funds paid by the Civilian Administration are concerned. At a meeting held late last week with the heads of the area village leagues, Dudin protested this measure and wanted to explain that the area village league members are not administration officials and are entitled to carry out their affairs as they deem fit. The head of the Civilian Administration, Shlomo Ilia, replied that the administration funds are accountable, and that just as the administration itself is expected to submit financial status reports, the area village leagues must do the same. Dudin pointed out that the area village leagues had not previously been required to report on their financial situation, which is why the new instruction seemed strange to him.

CSO: 4400/361

POLL SHOWS HALF OPPOSE CONCESSIONS TO JORDAN

TA100750 Jerusalem THE JERUSALEM POST in English 10 Jun 83 p 3

[Report by political correspondent Sara Honig]

[Text] Tel Aviv--Almost half of the public opposes territorial concessions in Judaea and Samaria even as part of a peace agreement with Jordan, with only a slightly smaller portion in favour of compromise. This is the finding of the latest poll conducted for THE JERUSALEM POST by Modi'in Ezrahi under the direction of Dr Sarah Shemer.

A representative sample of 1,091 persons was interviewed between May 2 and 10.

The finding is similar to those of a poll carried out for THE POST in March. There has been a slight rise, however, in the size of the political centre, chiefly at the expense of the dovish extreme. Of those polled, 49.9 percent said they oppose "any concession whatever" in Judaea and Samaria to Jordan. In the March poll, 50 percent opposed any concession.

The pollsters defined the centrist position as the one expressive readiness to give up "some of Judaea and Samaria." In the latest poll, 35.6 percent held that opinion, against 31.9 percent in March. The increase, according to Shemer, is chiefly the result of a shift to the centre from dovish positions.

The doves are identified as those willing to cede to Jordan all of Judaea and Samaria, but not East Jerusalem. This was the view of 8.1 percent, a drop from the 9.9 percent in March. The extreme doves, those willing to give up all of Judaea and Samaria and East Jerusalem, account for 2.2 percent of those polled, a decline from the 3.4 percent in March. The rest of those questioned did not reply.

The number of doves (moderate and extreme) dropped 3 percent.

CSO: 4400/361

POSSIBILITY OF W. BANK CIVIL WAR DISCUSSED

TA121240 Tel Aviv YEDI'OT AHARONOT in Hebrew 12 Jun 83 p 10

[Commentary by Roni Shaged: "The West Bank on the Brink of Civil War"]

[Text] An atmosphere of depression, confusion and helplessness has recently been typical of the leaders of the nationalist blocs in Judaea and Samaria, because of their inability to work as a united body. Their frustration is especially great because they did not succeed, on 5 June, in marking the 16th anniversary of the Six-Day War. This year, in contrast to previous years, there were no strikes and breaches of the peace. Normal life was maintained.

"For several months now there has been a devaluation in the PLO's status in Judaea and Samaria. Its status has been damaged and more and more reservations can be heard with the statement that the PLO is the sole representative of the inhabitants of Judaea and Samaria," says Shlomo Ilia, the head of the Civilian Administration, about the prevailing moods in the field over the past 6 months.

The split that has taken place recently inside the Fatah organization and the vocal disputes and quarrels between the different bodies working in Judaea and Samaria have caused distress to the nationalist leaders in the West Bank. Other groups have begun to look for their own paths. Attempts are being made to return to Husayn's arms and calls are being made for cooperation with the Civilian Administration for the sake of maintaining normal life.

Ten days ago five Molotov cocktails were thrown at (Dr Nimr 'Awwad's) house in the al-Dunayshah refugee camp. "This is an internal dispute inside the family," I was told by one of the inhabitants of the camp, with an embarrassed look. "The mass fight in Bi'r Zayt resembles the fight also being carried on inside Israeli society," the same young man continued to justify matters, looking down with a sad expression on his face.

These events which have recently sprung up in the field are only a part of the war of forces being conducted in Judaea and Samaria. In fact, the signal for the violent confrontation was given about 3 months ago with a group of members of an organization identified with Fatah--"The Committee

of Youth for Social Work"--violently attacked Palestinian Communist Party leader Bashir Baghruti.

Today it can be said with confidence that the national unity under PLO leadership that existed since 1967 has been split. The head of the Civilian Administration regards the drop in the PLO's status as a direct result of the Peace for Galilee war.

The failure of the Husayn-'Arafat talks burst the hope of the Palestinians in the West Bank that a solution to their situation would be found. The atmosphere of despair strengthened various local bodies and vocal, stormy arguments and struggles for control in the field broke out among them.

The "Youth Committee for Social Work" which is now active in every village, urban quarter and refugee camp, is an organization established more than 2 years ago under the aegis of the Fatah organization. The organization has a local leadership in the districts and a general staff. The organization is particularly active in organizing breaches of the peace. Security sources in Judea and Samaria have noted that it is now emerging that members of this organization were active in the poisoning affair. The organization's strong foci of power are in the refugee camps.

The organization's leadership is a group of Fatah members who have already spent several years of their lives in Israeli jails.

In contrast, the Communist Party has strengthened its ranks and increased its activity in the front it has established: "The Voluntary Work Committee." Members of this organization are communists, sympathizers with and supporters of the rejectionist front organizations. This group's strong foci of power exist in the universities of Bi'r Zayt and Bethlehem. The organization's trumpet is the paper AT-TALI'AH, published in East Jerusalem. There is serious rivalry between the "Youth Committee" and the "Work Committee." Members of the "Youth Committee" accuse their rivals, members of the "Youth [as published] Committee," of throwing Molotov cocktails at the home of (Dr Nimr 'Awwad), who is identified with the communists' group.

The throwing of stones at an Egged bus last Wednesday, 8 June, near the al-Duhayshah refugee camp, was carried out by members of the "Voluntary Work Committee" with the aim of paralyzing a formal rally of the "Youth Committee." The stonethrowers knew for certain that after the stonethrowing the army would come and impose a curfew. Thus they were indeed able to paralyze the rejoicing of their rivals' group.

The strength of the religious groups, and especially that of the Muslim Brotherhood, is on the upswing. They are trying to become stronger through the distribution of leaflets and holding persuasive talks and activity in clubs. Their activity reached a peak when they caused riots at the rally marking the anniversary of the war in Lebanon at Bi'r Zayt University.

King Husayn is also a party to the struggle. After he understood what was going on in the West Bank, he began using economic and social pressure on the population, with the aim of proving who was the "boss." His new policy, which he has begun to implement very recently, is aimed at influencing the man in the street and particularly the groups of young people. He is preventing the inhabitants of the West Bank from visiting Jordan for periods of more than 30 days, banning graduates of the West Bank high schools from studying in Jordanian universities and restricting the entry of young people from the West Bank into Jordan.

The king's economic pressure has begun to leave its mark. The flow of funds to members of the workers' unions has been stopped and the grants and loans for industrial construction and development have been frozen.

These moves have created an atmosphere of isolation in certain classes. "The king has gone mad. How can he do this?" one of the West Bank notables, a supporter of the king, who prefers to remain anonymous, complained to me. The king's pressure is giving a "green light" to his supporters to begin to act. About 2 weeks ago a group of the king's supporters, led by Zafir al-Masri, the head of the Nabulus Chamber of Commerce, and Dr 'Abd-al-Qadir (al-Hayat), tried to organize a "court revolution" against Bassam ash-Shak'ah. It is true that their attempt failed to hold a rally--at which they intended to call for a peaceful solution to be found with Israel, for the king's support and for cooperation with the Civilian Administration--but the West Bank media devoted much attention to the affair, and from this the argument spilled over into the street.

The village leagues are accumulating strength. Their status is being consolidated. Recently, from a feeling of confidence, they asked the administration to remove the armed guard and the military protection they had been given. The United Village Leagues has been established and it works. The association's activity in the field is being done without fear or trembling and their views are expressed by the paper they publish. The league's head in Hebron, Jamil al-'Amlah, has written a manifesto expressing his full support for King Husayn and his leadership.

For the last few days the Arab press has been trying not to give details of the internal quarrels and the atmosphere of depression in the field. The slogan for "unification of the ranks in democratic ways" appears almost daily in the press. Because of the differences of opinion, support for 'Arafat or those rebelling against him does not appear in the press. On June 1 the umbrella organization of the nationalist bodies came out with a manifesto calling on "our brethren outside the territories to unite, join together and solve the internal problems in the PLO democratically in view of the 16th Palestine National Council resolutions." The authors of the manifesto, because of the differences of opinion that have been revealed among themselves, decided not to mention 'Arafat's name.

These days the inhabitants of Judaea and Samaria are watching the revolt taking place in the Fatah organization. In the meantime, acts of violence

between the different groups are increasing, and not only between religious and secular groups, as could have been thought after reading the local press.

The Civilian Administration is reading what is happening in the field very well. It is also a factor in the game of power. The tools in the administration's possession to collect overt intelligence are better today than a year ago. Recently the administration came out with an offensive to break the municipalities' boycott against cooperation with it. The operation is being carried out satisfactorily and its achievements are beginning to be apparent in the field. The administration also continues to consolidate the state of the village leagues and is preparing additional plans about which the least said the better.

Ilyas Frayj, on 5 June, through YEDI'OT AHARONOT, called for a meeting with mayors in the West Bank and the Gaza Strip. The defense minister would do well to take advantage of the current situation in Judaea and Samaria to hold selective meetings with mayors--and particularly with those of them who maintain good relations with the administration.

Jamil Hamad, a well-known personality from Bethlehem, gloomy and frustrated, said softly: "Look at what we have come to. On what we, the Palestinians, are squandering our strength. I am ashamed, but I must admit that we have reached a civil war."

CSO: 4400/361

OIL SHALE TO PROVIDE LIQUID FUEL NEEDS

Jerusalem THE JERUSALEM POST in English 13 May 83 p 3

[Article by Charles Hoffman]

[Text]

Energy Minister Yitzhak Moda'i yesterday dedicated a pilot plant in the Negev for the direct combustion of oil shale that may grow into a complex providing 30 percent of the country's liquid fuel needs by the mid-1990s.

The plant, which crushes, prepares and burns the oil shale extracted from nearby deposits, is the focal point of the new Pama centre in the Rotem Plain some 20 kilometres south of Arad. Pama — the acronym for the Hebrew Pituah Mashabei Energia (Energy Resources Development) — was established in 1981 as a government corporation to develop synthetic fuels such as shale oil and gas extracted from coal.

Oil shale is a soft, greyish-brown rock containing globules of organic matter similar to crude oil. The Pama centre sits on top of Israel's main shale oil deposits, which are relatively easy to mine and which contain proven reserves of five billion tons. Recent surveys put estimated deposits at another five billion tons — the equivalent of about 700 million tons of crude oil.

Israel's annual crude-oil consumption is about eight million tons.

Preliminary technical and economic studies over the last year put the cost of the shale oil to be extracted eventually on an industrial basis at about \$35 for a barrel of low-sulphur fuel. Energy Ministry experts say this is not an unreasonable cost, assuming that oil prices will rise at the rate of 1 percent annually.

Pama's development plans for shale oil call for the construction of two demonstration plants over the next five years at a cost of \$60 million. One plant would extract synthetic fuel and the other would burn the shale oil to produce steam, which is used to generate electricity. About \$3.5 have been invested in the new centre. The first industrial-scale plant planned for the mid-1990s is expected to produce 40,000 barrels of synthetic fuel daily, and between 70 and 140 megawatts of electricity.

Moda'i said the economic feasibility of the project will be carefully checked at each stage before continuing to a more advanced and more expensive scale of production.

BRIEFS

ISRAEL, FRANCE ECONOMIC AGREEMENT--On Saturday, 11 June, Israel and France signed an agreement in Paris to protect and encourage financial investments. This was reported yesterday by an official French source in Paris. The new agreement will guarantee investors, inter alia, suitable compensation in the event of nationalization in one of the countries. The agreement was signed by the French deputy minister of finance, (Jean-Claude Trichet) and the charge d'affairs in the Israeli Embassy in Paris, Yo'el Sher. While Paris is, as far as can be seen, trying to down play the value of this agreement, Israeli sources in the French capital stress that the agreement will provide new impetus to the economic relations between the two countries. In addition to protecting investments against various types of risk, the new agreement will also make transfers for foreign currency easier as well as the payment of salaries to representatives of both countries. [Text] [TA121059 Tel Aviv MA'ARIV in Hebrew 12 Jun 83 p 7]

NEW ROAD TO QATIF BLOC--A new road linking the Qatif bloc settlements, which are in the southern part of the Gaza Strip, to the western Negev is being paved. The new road leads from Kibbutz Sufa on the Re'im road to Kerem Shalom and will cross the strip thus markedly shortening the distance to the new settlements set up in the Qatif area. Thus it will be able to reach them without having to go through the Gaza Strip. The Qatif region settlements have likewise been provided with land from the western Neve, in the Re'im-Be'eri area. [Text] [TA151247 Tel Aviv HATZOFE in Hebrew 15 Jun 83 p 6]

MODA'I ACHIEVEMENTS IN MEXICO--Energy Minister Yitzhaq Moda'i has secured the agreement of the Mexican Government to set up an office to help Israeli exporters sell their goods there, ministry spokesman said yesterday. During the minister's recent visit to Mexico he met with the minister of industry, energy and mines. Moda'i noted that Israel buys Mexican oil worth hundreds of millions of dollars each year, while Mexico imports few goods from Israel. Both ministers agreed that the lopsided trade balance needs rectification, and decided to set up an office to facilitate Israeli exports to Mexico. The Mexican minister also said that his government would welcome joint projects with Israel in the energy field. On the next leg of his trip Moda'i met with ministers of the Brazilian Government in Brasilia, where he discussed possible joint projects relating to synthetic fuels that Brazil has been developing. Moda'i suggested that Israel could contribute to developing engines suitable for the fuels. Joint research and development projects in the utilization of oil shale were also discussed. [Text] [TA140938 Jerusalem THE JERUSALEM POST in English 14 Jun 83 p 6]

GOLAN HEIGHTS RESEARCH INSTITUTE--All of the budget which the Science and Development Ministry is slating for the finance of research institutes, 27 million shekels, will be allocated this year for a new research and development institute to be set up on the Golan Heights. The heads of the ministry and the Golan settlements committee announced this recently. Four spheres: agriculture, resources on the Golan, behavioral sciences and industrial development in the Golan Settlements, will be researched and studied in the new institute. [Report by Shim'on Weiss] [Excerpt] [TA141046 Tel Aviv DAVAR in Hebrew 14 Jun 83 p 8]

LEBANESE WAR SECRET DOCUMENTS--Shinuy MK Amnon Rubinstein last night revealed on Israel television the contents of some of the secret documents he claims to have concerning the Lebanon war. Rubinstein said he has material which shows that certain senior IDF officers were briefed on the first day of the war, Sunday, 6 June, that they would be tackling the Syrians. According to the testimony of other officers, they were told they would be in Beirut within 4 days and promised a party at the Beirut stadium. Rubinstein said he is prepared to show all his material to an official commission of inquiry if one is established. The Knesset is to debate the demand of the Alignment and Shinuy for an official inquiry into the Lebanon war on Wednesday. [Text] [TA130704 Jerusalem THE JERUSALEM POST in English 13 Jun 83 p 1]

POLICY ON KNESSET ABSENCES--The Alignment faction has decided that it will no longer permit its members to be absent from Knesset votes in accordance with the arrangement with the coalition to offset its members who are absent. It has been decided to publicize the faction members who are absent without permission from two votes. Knesset members who are absent from three votes will not be given the right to address the Knesset. [Text] [TA131831 Jerusalem Domestic Service in Hebrew 1800 GMT 13 Jun 83]

TOURISM AGREEMENT WITH POLAND--A unilateral tourism agreement according to which the Warsaw authorities allow Israeli groups to visit Poland has been signed recently. The agreement was signed by the Histadrut-owned tourism company "Histour" and the Polish press agency "Interpress" to devoid it of official status. In a news conference yesterday, "Histour" director Hertzl Shalem said that negotiations with the Poles lasted 3 months until it was decided that the visas would be stamped in the Swiss Consulate of Berne and that they would be granted after a check that will last 2-3 weeks to 1 month. According to Shalem, the Polish authorities promised "not to make problems" and they did not put any restrictions on those wishing to visit Poland. "Histour" is already operating tours to Hungary and Bulgaria. According to Shalem, this is a breakthrough to thawing frozen relations between Israel and these three countries. The organized tour to Poland lasts 11 days, including 3 days in Switzerland. The trip costs \$1,350. Accommodations are at hotels described as "first class," in double rooms with two meals a day. [Text] [TA131158 Tel Aviv MA'ARIV in Hebrew 13 Jun 83 p 16]

MIAMI CHARTER LANDING RIGHTS--The Transport Ministry has denied reports that the Civil Aviation Authority had forbidden two charter flight companies from Miami to land at Ben-Gurion Airport. A ministry spokesman said that the companies, which plan to bring thousands of American tourists to Israel this summer, only applied last Monday for a permit to operate the flights to Israel. The request has not been denied, the spokesman said, and the Civil Aviation Authority intends to approve it, in accordance with charter flight regulations. Comments on these charter flights were incorrectly attributed to Tourism Minister Avraham Sharir in THE JERUSALEM POST on Monday. They were made by Sharir's communications adviser, Zvi Rimon. [Text] [Jerusalem THE JERUSALEM POST in English 11 May 83 p 6]

'AQRABA LAND EXPROPRIATION--The military authorities informed the residents of the village of 'Aqraba in the Nabulus subdistrict of their decision to expropriate 2,000 dunams of village land lying in Khallat al-Rahib, al-Sudur, al-Mutariq, and Qit'at al-Hayyah. They requested the landowners not to enter or farm their lands. It is recalled that the authorities have already expropriated more than 50,000 dunams of land opposite the village. [Text] [Jerusalem AL-QUDS in Arabic 26 Apr 83 p 1] 5214

WEST BANK TELEPHONE SERVICES--Modekhay Tzipori, Israeli minister of communications, announced in a meeting with a delegation of Israeli officials from the West Bank that his ministry will install this year 17 central telephone stations in various parts of the West Bank. He added that no settlement in the West Bank or Gaza is without telephone lines. [Text] [Jerusalem AL-QUDS in Arabic 26 Apr 83 p 2] 5214

TAX INCENTIVES FOR SETTLEMENT--The Knesset Finance Committee refused to grant Israeli settlements in the occupied areas tax incentives. However, it decided to grant such incentives to border settlements in Israel and the occupied areas. It is worth noting that the majority of the committee are from the opposition who expressed their wishes by voting not to grant incentives to any settlement established in the occupied areas. [Text] [Jerusalem AL-QUDS in Arabic 26 Apr 83 p 4] 5214

MIGDAL 'OZ LAND EXPROPRIATION--The military authorities informed the villagers of their firm intention to expropriate 350 dunams of village land adjacent to the Migdal 'Oz settlement. Sources close to the Committee to Protect Village Land stated that this decision conflicts with the decision of the Supreme Court issued 3 years ago, which empowered the Israeli government to expropriate part of the land of Bayt 'Umar in the "Berti'ot" region for military purposes provided that the rights of the landowners there were safeguarded. [Text] [Jerusalem AL-QUDS in Arabic 27 Apr 83 p 1] 5214

HEBRON AREA LAND EXPROPRIATION--Huge Israeli equipment and bulldozers have begun to break ground, pave, and asphalt streets on al-Qanub lands lying east of the town of Sa'ir in the Hebron subdistrict, particularly 'Ashirat al-Shalaladah. The land covers an area of about 6,500 dunams. The military authorities informed the town's leaders of their decision to expropriate their land and consider it closed. They forbade the owners to work on it

or approach it. They gave them one month's time to petition the courts and competent legal authorities and institute legal proceedings on the matter. The owners of this farm land of 'Ashirat al-Shalaladah, especially the 'Aqil family, have begun to prepare the papers and evidential documents and consult lawyers to pave the way for bringing the matter up before the Supreme Court and obtaining an injunction to halt the expropriation proceedings until a final decision is reached on the question of their ownership of the aforementioned lands. [Text] [Jerusalem AL-QUDS in Arabic 28 Apr 83 p 4] 5214

WEST BANK ROAD BUILDING--For about a month Israeli bulldozers have been building a road 50 meters wide across a stretch of land in the village that is owned by our fellow countryman Hasan Ahmad Hababah. He had requested permission to erect a building on his land 4 years ago, but the authorities refused to grant him this permission and informed him at the time that the land had been expropriated. [Text] [Jerusalem AL-QUDS in Arabic 28 Apr 83 p 4] 5214

BATTIR PROTEST--The inhabitants of the village of Battir submitted a protest to the Military Protests Committee regarding their land which is subject to expropriation. It covers an area of 760 dunams. [Text] [Jerusalem AL-QUDS in Arabic 28 Apr 83 p 4] 5214

FIVE STARS FOR SONESTA HOTEL--The Committee to Determine Hotel Categories in the Tourism Ministry yesterday decided to grant the five-star category to the Hotel Aviya-Sonesta in Taba near Eilat. HA'ARETZ correspondent notes that the picturesque opening of the hotel in which government officials participated 6 months ago led to considerable outrage in Egypt and to official protests to the Government of Israel. Sources in the Tourism Ministry noted yesterday that the decision to grant an official category to the hotel was reached in order to eliminate all doubts regarding the right of Israel to rule the Taba area. The Committee to Determine Hotel Categories temporarily postponed the request of Hotel Larom in Jerusalem to categorize it with five stars, with the explanation that it had not fulfilled the requirements of the Tourism Ministry and thus there continues the conflict between the hotel and the Municipality of Jerusalem regarding the plastic covering of the swimming pool. The Committee also decided to grant four stars to the new Laguna Hotel in Eilat which is managed by the Dan Hotels chain. [Text] [Tel Aviv HA'ARETZ in Hebrew 3 May 83 p 2] 8090

RENAMING BANYAS 'PANYAS'--The governmental Names Commission has decided that henceforth the site in North Golan will be called Panyas and not Banyas, as it has erroneously been called. It appears that when the Arabs reached this area in the seventh century A.D., they were unable to articulate the "p" in the name Panyas and thus was born the distortion Banyas which has until now been accepted. Panyas is nothing more than a distortion of its ancient Greek name of the source of the Hermon River whose waters first emanated from the cave at the base of Mount Hermon. The name Panyas was given to the cave by the Greeks to honor Pan, the god of shepherds and streams. [Text] [Tel Aviv HA'ARETZ in Hebrew 3 May 83 p 1] 8090

GALILEE LAND JURISDICTION CHANGE--The Ministry of the Interior has decided to add hundreds of dunams to the area of jurisdiction of the village of 'Eilabun near Nazareth and the village of Yirka in the Western Galilee. The northern district commissioner, Yisra'el Koenig, said that this land did not belong to any council and is intended to enable the two villages to carry out some development plans. [Text] [TA121215 Jerusalem Domestic Service in Hebrew 1200 GMT 12 Jun 83]

AL-FAJR CORRESPONDENT SENTENCED--A correspondent for AL-FAJR in Gaza, (Hasan al-Wahibi), was sentenced this morning by the Gaza military court to 2 months' imprisonment and 3 months' suspended sentence on charges of possession of prohibited publications. Our correspondent Arye Cas reports that he was found in possession of 200 issues of the AL-'AWDAH newspaper which appears in East Jerusalem. Another Gazan, (Ahmad Sititan), was sentenced to 6 months in jail plus 6 months suspended sentence for distributing leaflets expressing opposition to the conquest as well as leaflets urging a general strike. He was also fined 50,000 shekels. [Text] [TA091334 Jerusalem Domestic Service in Hebrew 1300 GMT 9 Jun 83]

ISRAEL, FRANCE INVESTMENTS AGREEMENT--Representatives from France and Israel this afternoon signed an agreement to encourage investments and secure them. The agreement includes, among other things, assurances for investments made by the citizens of both countries and guarantees a positive attitude to requests for entry permits, visas and other licenses for the purpose of temporary residence and for work related to investments. The Israeli charge d'affaires, Yo'el Sher, said that the fact that this agreement was signed proves France's desire to improve and promote bilateral relations in all the areas. [Text] [TA091717 Jerusalem Domestic Service in Hebrew 1700 GMT 9 Jun 83]

HERUT BRANCHES IN SETTLEMENTS--Yesterday Finance Minister Yoram Aridor was awarded honorary citizenship of the Ma'ale Efrayyim local council. The ceremony took place during a tour conducted by the Herut Movement Secretariat in the Samaria settlements of Homesh, Elqana and Qarne Shomron. The Herut Movement opened new branches in those settlements yesterday. In his remarks, Herut Movement Chairman Aridor stated that the opening of the branches constitutes unquestionable proof of the Herut Movement's desire to strengthen settlements in Judaea and Samaria, in contrast to the position of MK Hayim Bar-Lev who is calling for withdrawal from the Golan Heights. The tour was attended by Deputy Ministers Hayim Kaufman, Mikha'el Deqel and Dov Shilansky, and Knesset members Roni Milo and Mikha Reiser. [By Bina Barzel] [Excerpts] [TA100823 Tel Aviv YEDI'OT AHARONOT in Hebrew 10 Jun 83 p 2]

'ARAB PEACE NOW' MOVEMENT--A new movement, temporarily calling itself "Arab Peace Now," has been established in the territories. The movement's goal

is a dialogue between Palestinian representatives living in the West Bank and Gaza Strip and the Israeli authorities for the sake of establishing peace. A leader of the group told our correspondent that the silent majority in the territories wants to create a framework of peaceful coexistence between the two peoples which would guarantee the rights and security of both sides. The group wants King Husayn to lead their delegation to the talks with Israel, and in the next few days a delegation on behalf of the group will leave for talks with the king to this effect. The group has so far held several secret meetings, fearing assassination attempts against them by members of the nationalist bloc and members of the Communist Party. The group includes physicians, engineers and lawyers as well as other prominent figures. They started to become active in the wake of their disappointment about the failure of the talks between 'Arafat and Husayn, and particularly after the murder of 'Isam Sartawi. [By Roni Shaqed] [Text] [TA100821 Tel Aviv YEDI'OT AHARONOT in Hebrew 10 Jun 83 p 2]

PRICE OF MEXICAN OIL--Israel demands that Mexico reduce the price of the oil it is selling to Israel. This was reported by Energy Minister Yitzhaq Moda'i who is currently visiting Mexico City. His visit is defined as private. Minister Moda'i will meet with his Mexican counterpart and with the director of the Mexican oil company. Israel is the sixth largest oil importer from Mexico. [Text] [TA100804 Jerusalem Domestic Service in Hebrew 0700 GMT 10 Jun 83]

DEPUTY AGRICULTURE MINISTER'S ACTIONS RESTRICTED--Deputy Agriculture Minister Mikha'el Deqel is being given a pivotal role in the affair of the sale of private land in Judaea and Samaria. As a result of the publicity in the media, and following warnings by the Ministry of Justice, a picture of many faults and irregularities has been exposed. The minister who is Deqel's superior, Simha Ehrlich, has decided to now restrict his deputy's activities pertaining to the land sales. Three days ago, Minister Ehrlich called his deputy to him and told him: From now on there will be no more letters of intent. The sole binding document is approval from the Ministerial Committee for Settlement Affairs. Precautionary measures will be taken for this and some people are saying that Mr Deqel's intentions, which the press has said would lead to a wild west situation, have been curbed. [Excerpts] [TA102000 Jerusalem Domestic Television Service in Hebrew 1815 GMT 10 Jun 83]

CSO: 4400/361

REAGAN REMARKS ON USSR AID, JEWS CRITICIZED

GF131554 Kuwait AR-RAY' AL-'AMM in Arabic 12 Jun 83 pp 1, 23

[Editorial: "The President's 'Gems'"]

[Excerpts] United States President Reagan has told the members of the Jewish B'nai B'rith organization by phone that "as long as I am president, the United States will remain a solid rock of aid to Israel and we will not hesitate in our commitment to maintain Israel's security. I would like you to know that we are committed to maintaining Israel's superiority in the military balance in the Middle East." Reagan also told them that the United States is "extremely concerned" over the increase of the "Soviet strength" in Syria. His excellency added: "The same forces which are causing instability in the Middle East--the Soviet Union, Libya and the PLO--are working in a close cooperation with Cuba to spread instability in Central America."

President Reagan then moved to the favorite Jewish issue, that of the Soviet Jews, and said: "Therefore, let us stand together and tell the truth and tell the Soviets: Stop oppressing the innocent, and let the sons of Israel depart."

In truth, the U.S. President, who is preparing himself for a reelection campaign, wanted to keep for that so long as he is president, he will make it known United States [is] a solid rock of aid to Israel, taking into consideration that all U.S. presidents, beginning with Truman and with the exception of Eisenhower were like him in maintaining Israel's qualitative superiority which enabled it to defeat [the Arabs] and occupy their lands and make the Palestinian people homeless.

What is strange is that the U.S. President, who is publicly announcing this pledge to keep Israel superior to all the Arabs, did not notice the grave contradiction in his words when expressing his "extreme concern" over the Soviet arming of Syria. He has full right and all authority to arm Israel and enable it to defeat and subjugate the Arabs, while others are considered in his very sound logic as troublemakers and creators of instability in the Middle East. In his opinion, the PLO should turn into a herd of cattle and leave its destiny to the American herdsman who will deliver it to the Israeli slaughterhouse, meek, good and quiet.

What remains of the President's "gems" is his call to the Soviet Union to stop oppression against the innocent Jews and to let the "sons of Israel" depart. In this, he determined that every Jew living outside Israel is a son of Israel and is one of its citizens, thus implying that the American Jews are also Israeli Jews and are a community of the Zionist state, not American citizens. Thus, they can go to war with the Israeli Army with their military experience, expertise and arms but without becoming, in Reagan's view, American advisers, soldiers and pilots in the Israeli Army because in his logic, and it is the truth itself, there is no difference between the U.S. Army and the Israeli Army. But if a Soviet adviser goes to an Arab country, woe to the world.

CSO: 4400/378

COMMENTARY ON AL-QADHDHAFI TOUR

GF131237 Kuwait ARAB TIMES in English 12 Jun 83 p 6

["Opinion" column by editor in chief Ahmad Jarallah]

[Text] Libya's President Mu'ammarr al-Qadhdhafi is visiting three countries with which he has differed a great deal. His visits come at a time when Arabs are living in an atmosphere of frustration.

Now it is not important to mention the reasons for these disputes, but it is a fact that the Arab decision has been greatly affected by the wars between a number of important Arab sides.

Iraq is paying much to defend itself, and doing so with Arab money. What Iraq paid could have been reduced, if Arab solidarity were different than it has been in the past.

Lebanon is still shedding blood and destroying its economy, just because some important Arab countries have not made their position clear regarding the Arab decision.

It is a long and troubling bill that the Arabs have to pay, just because an important country like Libya has its own opinion, and sometimes some countries adopt Libya's line.

A logical Arab decision cannot be achieved while many important basic national causes need full agreement. But the decision is not put into effect or is disputed, for example. Disputes reached the extent of harming Arab national interests--whether in human terms or money.

The visit of Libyan President Mu'ammarr al-Qadhdhafi comes at a time when this frustrated atmosphere is prevalent.

All Arabs, of course, wish the visit to bring about the full agreement of all Arab countries.

Nobody likes the powers that oppose Iraq, to support the country that does not want peace.

Nobody likes to be a plaything in the hands of the world to destroy the economy of Arab countries and exploit their resources, either by causing disputes among them or by interfering in their affairs.

Suffice it to say that the oil situation would be better than it is now if there had been full agreement amongst Arabs.

Libya is an important country, especially because the regime there has remained unchanged. The regime could maintain itself. Similarly it could have played a more important role--different from the one which the outside world ridiculed.

Our Arab causes are sometimes seen by the outside world as irrational and illogical, controlled by wishes and tendencies.

Libya and President al-Qadhdhafi could have played an active role for the Arabs instead of being used by the outside world to hamper them.

The visit itself is not as important as the results. Arab citizens now feel frustrated to the point of suicide.

CSO: 4400/378

BRIEFS

OIL MARKET IMPROVEMENT SEEN—Kuwait's Oil Minister Sheikh Ali Khalifa al-Sabah sees a "marked improvement" in the world market for oil, according to a statement which he made to Parliament last week. Sheikh Ali said previous forecasts "were somewhat pessimistic" and that "we opted for conservative assessments of market conditions, but things are now much better than was originally expected." He projected revenues of \$11.1 billion for Kuwait for the fiscal year that ends this month and said that the state-owned Kuwait Petroleum Corporation had notched up a net profit of \$190 million during the same period. Sheikh Ali has been transforming KPC into a major international oil company through a series of acquisitions in the US and in Europe. Sheikh Ali expressed hopes that all 13 OPEC countries would abide by the oil exporters' production quotas and prices. "Abiding by the OPEC-decreed levels of production and prices will foil attempts by importing countries to meddle and adversely affect the markets again," Sheikh Ali declared. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 22, 30 May 83 p 10]

CSO: 4400/375

EFFORTS TO BRING ABOUT SYRIAN TROOP WITHDRAWAL EXAMINED

Paris AL-MUSTAQBAL in Arabic No 326, 21 May 83 pp 25-27

[Article by Ghassan Bayram: "The Peace Agreement Is Pounding the Drums of War! Amin al-Jumayyil Still Is Optimistic About the Possibility of Reaching a Mutual Understanding with Syria 'Because President al-Asad Believes in Dialogue, and It Is Not in His Nature To Close the Door To Give-And Take'"]

[Text] President Amin al-Jumayyil asked Syrian President Hafiz al-Asad: "If we reach an agreement with Israel, what will your position be?"

The Syrian president replied: "I will be against any agreement that puts the Israelis and myself on the same level, unless you consider me to be on the same level and so accept that. At that time I will reject it, and not accept it."

In the last part of this meeting between the Syrian and Lebanese presidents, which happened in New Delhi while they were attending the non-aligned summit conference, President al-Jumayyil said once again to President al-Asad: "But there ought to be a simultaneous withdrawal of the Israeli and Syrian forces from Lebanon. Do you agree?"

President al-Asad replied: "If there is to be a true, comprehensive and complete simultaneous withdrawal, then you can consider the Syrian army to be at your disposal. However, if there is going to be an Israeli presence and I am the one to go, then this is rejected and we will never accept this."

This small excerpt from the conversation of the two presidents, al-Asad and al-Jumayyil, at a friendly meeting, helps explain why the Lebanese president returned from New Delhi feeling relaxed about Syria's position, which, according to his view, will not be an obstacle in the way of achieving complete withdrawals from Lebanon, given that an agreement is reached with Israel.

This confidence which President al-Jumayyil was expressing after his return from India is based as well on another meeting he had on that occasion, with the chairman of the Palestinian Liberation Organization, Yasir 'Arafat, a meeting which had results no less positive than those of his meeting with President Hafiz al-Asad. The Palestinian leader repeated what Abu Iyad had

said earlier when he met with President al-Jumayyil in Morocco: "The Palestinian military presence in al-Biqa' valley and the north is no longer important or effective. Our presence in Beirut symbolized the independent decision-making power of the Palestinians, but as for al-Biqa' and the north things are different there. However, Abu 'Ammar told President al-Jumayyil that his decision to withdraw from Lebanon was not a matter for the Palestinians. Rather, he wanted it to be an Arab decision, the key to which was Syria...in order for him to withdraw."

The Palestinian and Syrian positions, as President Amin al-Jumayyil heard them, agreed in their essence with what Prime Minister Shafiq al-Qaszan had brought back, once after a visit to the Syrian capital, and once after holding a meeting in Tunis with Abu 'Ammar. At that time he announced that the paper containing the promise of and commitment to a Syrian and Palestinian withdrawal from Lebanon was in his pocket.

In light of these givens, which existed and inspired the behavior of the Lebanese government, there is nothing for it but to ask a few questions:

First: Did the Lebanese government put too much confidence in the soothing remarks and assurances which it got from the Syrians and Palestinians?

Second: Did the Lebanese government put more faith than it should have in the Syrian position and then the Palestinian position and did it go along more than it should have with the explanation and estimation of both positions?

Third: Did the Syrian capital not anticipate that Lebanon would reach agreement with Israel to the extent to which it did? Or did now elements which were introduced into the political struggle in the Middle East and the Lebanese theater make international, regional and even local actors precisely review their positions, so as to determine new directions and positions? All this could have happened, without however changing an existential reality in Lebanon. This reality is that Israel has huge armies occupying large and important parts of Lebanese territory, and that the limits of this occupation still reach the outskirts of the capital of Beirut. The Lebanese government had no choice but to grasp the American solution as if it were a piece of wood to be grasped by a drowning man and a means without substitute for removing the Israeli occupier who, the longer he stayed in Lebanese territory, the more he created situations and circumstances tending toward destroying the foundations of Lebanese existence, and therefore toward the division and dissolution of the country by means of igniting sectarian and confessional wars and exploding the historic and sectarian Lebanese sensitivities and contradictions. What happened and is happening in the Mountain is the most dangerous example and proof of that. There is no exaggeration at all in the statement that the reality of the situation was what contributed to the government hurrying as quickly as possible to end the foreign occupation so as to create hope that the unity of Lebanon could be won back, as a people and as a land, and that this entity could be preserved, while lengthening the duration of the occupation would lead to a weakening of the hope that Lebanon could win this back and that it could advance gradually

from a state of disintegration and decay. Israel knew where and how to strike its blow so as to control Lebanon and make it sign an agreement with it. The position of the Lebanese negotiator when President Amin al-Jumayyil returned from America, the United Nations and Europe was one thing, and the Lebanese position after the fire of sectarian conflict was ignited in the Mountain was something else again. Before the war in the Mountain was ignited, the Lebanese negotiator was not empowered to talk about more than a return to the armistice agreement on the basis of Security Council resolutions 508 and 509. After war erupted in the mountains, the Israeli pressure card became more powerful and effective. Indeed, it became deadly, and the official Lebanese position became hostage to two realities, each more dangerous than the other:

An extant occupation threatening the entity of Lebanon with division and dissolution;

Or, a sectarian war in the most delicate and sensitive regions of Lebanon threatening the unity of national coexistence with partition into small groups, and the entity of Lebanon with disintegration and decay. None of these new factors and changes was hidden to anyone in Lebanon or outside it, especially the Arab leaders. The Lebanese foreign minister was in constant contact with the Arab ambassadors so as to keep them informed of what was happening at the official negotiating table and on the edge of the negotiations, in order that no Arab ambassador would have any trouble writing his government to explain what was happening at the negotiations, where Lebanon was standing, where Israel was standing and what the American partner and mediator was doing. This constant Arab observation made many Arab leaders and diplomats consider the attainment of an agreement by Lebanon and Israel unlikely, in view of the dangerousness of the demands and conditions which Israel was imposing and the firm Lebanese position which stayed true to the 12 basic principles that amount to Red Lines. President Amin al-Jumayyil once said that he would prefer a thousand times to preserve these lines and not cross them in order to maintain the interests of Lebanon and its Arab identity and to preserve its sovereignty, to the continuation of the Israeli occupation.

It now seems natural for many reasons that this Arab support should appear, the first of them being that Lebanon, despite its tragic circumstances, and the trial which has dismembered it and exhausted its inner strength, has not surrendered either its due or its Arab security interests. From the point of view of principle, one can say that Lebanon entered the negotiations with Israel with an Arab decision behind it. Lebanon asked the advice of the Arab states from the start and these states agreed to the idea of negotiating with Israel. The Arab states continued to follow these negotiations without showing the least objection to the idea, the context or the bases which Lebanon set for these negotiations.

Indeed, most Arab leaders and capitals said that Lebanon, by negotiating with Israel, was leading the Arab world on the right path. They said this knowing that the negotiations did not start without an agenda, the first clause of which said bluntly the subject of ending the state of war between

Lebanon and Israel was to be discussed. An important Lebanese official sees no grounds for criticism or opposition "because negotiations usually end in agreement, not war. Moreover, it is agreed and recognized here in Lebanon nowadays that Lebanon in its turn realized gains for itself and for others via these negotiations with Israel. It is not true that Israel alone was the winner. As examples, two essential facts connected with the agreement must be mentioned," as this official says:

"The first fact is that Israel, since it came into existence, has sought to avoid defining its borders with the Arab states surrounding it. Indeed, its slogan has continued to be "Your borders, Oh Israel, are from the Euphrates to the Nile." This was clear proof of the existence of Israel's desires, the most prominent of which was said to be its desire for the land of Lebanon and the waters of the Litani river. The agreement compels Israel to define its borders with Lebanon and to recognize the borders which existed and were internationally recognized. According to the agreement, these borders are no longer capable of being violated by land, air or sea. This is the first time Israel has committed itself to honoring borders with a neighboring Arab state."

"The second fact is that the agreement, with an American guarantee, created a new zone separating Syria and Israel across Lebanon which Israel will not be able to penetrate so as to attack Syria. The presence of this separation zone has done away with the confrontation line between Syria and Israel. In addition, Lebanon has realized other gains in this agreement, the most important of them by far being the guarantee of a comprehensive and total Israeli withdrawal from Lebanon's territory. All this, of course, has given rise to supportive positions being held by the vast majority of Arab individuals vis-a-vis Lebanon's position and the agreement which has been reached. As much as these widespread Arab positions are useful to and support Lebanon", the official adds, "nevertheless, the Syrian position remains the main problem. It can decide the matter in its entirety."

"Syria, which surrounds Lebanon on the northern and eastern frontiers is at the same time its door to the Arab World. The closing of this door would mean many dangers would arise, especially for the Lebanese economy and the flow of trade and transit, in addition to the transport of individuals by land between Lebanon and the Arab World."

"Secondly, Syria has military forces in al-Biqa' and in the north, and its rejection of the idea of simultaneous withdrawal with Israel means everything will stay as it is. Then the Israeli-Lebanese agreement will be transformed into a mere document waiting to be implemented, however long the wait turns out to be."

"Thirdly, Syria's situation in the Lebanese theater is different. It has an extension in Lebanon, as well as political parties and forces allied with it which were able, after the recent Zghrata meeting, to work for uniting these forces in a domestic Lebanese front which announced its absolute rejection of the agreement with Israel and threatened to take negative measures in resisting the agreement and the attempts to execute it."

If these givens serve to place all the Arab support in one pan of the scale and the Syrian position in the other, what is to happen, with the Soviet Union having put its weight now in Syria's pan, applying pressure with all its forces so as to make the American role fail by bringing down the Israeli-Lebanese accord. It is this that has given the battle against the agreement dangerous dimensions which might inject it into the game of the international conflict being played out in the region right now, a game currently making a major move in the Lebanese theater. Despite the open violence which the Soviet opposition to the agreement has been marked by, violence which has been reflected in various areas of Lebanese life, Damascus has kept the line of dialogue and contact with the Lebanese capital open, despite the powerful heat from which this line suffers and, it is feared, might burn it up. The fact that the lines of dialogue and contact have stayed open on the highest levels between Damascus and Beirut prevents President Amin al-Jumayyil from losing hope that a mutual understanding with the Syrian officials can be reached. From his return from New Delhi to the eve of the announcement that Lebanon and Israel had reached agreement, the Lebanese president trusted in the positive character of the Syrian position in support of the agreement. However, after Damascus unsheathed the weapon of violent opposition, the Lebanese president, his government and the political forces which support them switched from trust to caution mixed with no loss of hope. The American evaluation of Syria's position helped keep the Lebanese president from losing all hope of mutual understanding with the Syrians. After the visit of the American Secretary of State George Schultz to Damascus and the contacts on other levels that followed and preceded it, the American evaluation of the Syrian position appeared to confirm that this position was amenable to negotiation, and that Syria wanted to withdraw from Lebanon in the end. While the Lebanese evaluation said that Syria possessed freedom of movement in relation to the Soviets, the American interpretation said that Syria was ready to negotiate about an agreement between itself and Lebanon similar to the Israeli-Lebanese agreement. In the light of this analysis, and in separation from the political media war which the agreement was being subjected to, the Lebanese Foreign Minister Elic Salim went to Damascus and held lengthy, intensive talks with President Hafizzal-Asad and his foreign minister, Mr 'Abd-al-Halim Khaddam. Before the Lebanese minister went to Damascus, the experts of Syrian politics, who know President al-Asad personally, said it was unlikely that the Syrian president would reject negotiating with Lebanon. They said President al-Asad was among those who believed in dialogue, and that it was not in his nature to close the doors of dialogue. Rather, the door was always open to give-and-take and to negotiations. These impressions encouraged those experts to think that Minister Salim would return from his visit to Damascus with a program for negotiations between Lebanon and Syria which would start with a delineation of the bilateral relations between the two countries, since it was impossible for Syria to compel itself to agree with Israel vai Lebanon. These expectations turned out to be true to a large extent after the return of Minister Salim from Damascus.

This meeting ended with an official announcement on the formation of a Lebanese working group that would contact and confer with Syria. The

self-evident interpretation of that was that the working group was the group which would take over the task of negotiating with the Syrians concerning relations and Syria's withdrawal from Lebanon in a manner similar to the way Lebanon had acted with Israel. Despite the fact that things were interpreted this way, the situation remained shrouded in obscurity, especially as concerned the outline and course of this program of anticipated negotiations. Perhaps the reason for that was that such matters are handled in a context of secrecy by necessity. Meanwhile, a lot of racket was being made in the media by the political opposition to the agreement with Israel, and Damascus went to quite an extent in its political opposition to this agreement, hinting and warning of the dangers involved in Lebanon agreeing to it and going with it and the ways in which these dangers would be reflected in conditions inside Lebanon. Notably, the Syrian papers pointed out in their commentaries that it was possible that domestic explosions would occur. While the Lebanese government, with the support of active and numerous political forces, continued to refuse to enter into a political battle and have things escalate, the state continued to work in the direction of sitting down with the Syrians around the table of negotiations and discussions. Despite this, the question of whether this political escalation against the treaty would be accompanied by a military escalation remained. In this regard, there was much fear that the city of Beirut would be exposed to random bombardment last Monday, when the Lebanese Chamber of Deputies was to meet to discuss the government's statement concerning the accord and agreement to it. These fears seemed serious and entered into America's calculations of the situation. Washington feared that the bombing of Beirut would lead to the igniting of a war in the country and that the accord would be lost in the midst of it. Perhaps this is what made the American Minister of Defense Caspar Weinberger issue his famous warning in an unusual initiative against any attempts to explode the accord. Naturally, the purpose of this American warning was not to protect Beirut from having bombs fall on it in a random fashion. Rather, according to an American interpretation, via this warning Washington was insisting on defending and protecting strategic gains achieved by it by means of the Israeli-Lebanese accord. Washington's use of the big stick in the face of anyone wanting to bring down the accord by force and violence pushed the situation to the brink of war, even if not on the level of the region with the two great powers confronting each other directly, then at least via a limited war for which Syria and Israel had been nominated in al-Biqa'.

In the midst of this atmosphere loaded with elements of worry and fear of a big explosion, the government in Lebanon expressed its determination to continue with the measures connected with the agreement and to sign it when the Lebanese cabinet met on Saturday, 14 May 83. It approved the accord. This was followed by a meeting of the Chamber of Deputies on Monday for the same purpose, while the arrangements included a meeting of the heads of the American, Israeli and Lebanese delegations to the negotiations last Tuesday where the agreement was also to be signed.

Thus...the answer to the question of implementing the accord is waiting for the Syrian capital and the contacts now being held with it for the sake of this.

BRIEFS

RE-EXPORTS REGISTER SHARP FALL--Re-exports of foreign goods through Lebanon slumped by 53.4 per cent during the first quarter of 1983 when compared to re-exports in the same period last year, the Beirut Chamber of Commerce and Industry reported last week. It said re-exports during the first three months of this year were worth LL 276.5 million at the current rate of exchange). [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 22, 30 May 83 p 9]

BRITIAN INCREASES EXPORT CREDITS--Britain's Export Credit Guarantee Department is to broaden its cover for exports to Lebanon from 180 days to include medium and long term credits, according to reports from London last week. The switch is the result of a visit to Beirut by an ECGD specialist and will be welcome news for British exporters and contractors who feared they would be cut out of the markets in Lebanon created by a vast reconstruction programme once foreign forces leave the country. Last year, British exports to Lebanon were worth £67 million (\$114.5 million) but this business was largely confined to sales of consumer goods. The reports said, however, that the current ceiling on guarantees for loans of five to eight years would have to be reviewed if Britain is to match credit facilities being offered by competing nations. At present, this ceiling is understood to be only £30 million (\$48 million). [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 22, 30 May 83 p 9]

PALESTINIANS RETURN--A number of Palestinian gunmen who left Beirut for Tunisia following the Israeli invasion have returned to Lebanon in the past few days. According to information available to the Voice of Lebanon, these gunmen arrived in Tripoli by sea via Cyprus. The first group consisted of about 35 gunmen. [Text] [NC121542 Beirut Voice of Lebanon in Arabic 1515 GMT 12 Jun 83]

CSO: 4400/379

PALESTINIAN AFFAIRS

AL-FAJR ON FATAH DISCORD, PALESTINIAN UNITY

JN131658 Jerusalem AL-FAJR in Arabic 6 Jun 83 p 1

[Editorial: "National Unity and Frank Confrontation"]

[Text] The rebellion within the Fatah movement drew contrasting reactions, which naturally reflect the reality of current Arab action. Some regimes saw in this incident a rare opportunity to put tremendous pressure on the PLO, and on the Fatah movement in particular, in a desperate attempt to pass suspect solutions. Other regimes saw in this incident an opportunity to blare out resounding slogans which are also devoid of any national content that might serve the rights of the Palestinian people.

However, the containment of this incident and its subjection to the enlightened and democratic treatment, which adheres to the genuine national Palestinian unity in every position and at all levels, left some of these regimes, that are under the U.S. umbrella, in a state of confusion and perplexity. Thus, their trumpets began to exaggerate the incident on one occasion and to propagate tendentious rumors on another.

Naturally, these trumpets are not working alone. They are merely the voice of the U.S. administration, which thought in delusion that its golden opportunity had arrived to deal its new political blow to the region and to dismember the Palestinian people from within.

However, the wise PLO leadership, particularly the Fatah movement leadership, which are both represented by Yasir 'Arafat, thwarted these opportunities and put this incident in its correct context and within a unified and certain concept--the inevitable reinforcement and consolidation of Palestinian national unity everywhere.

Inasmuch as this unity, which cannot possibly mean the cancellation of national democratic dialogue and the end of self-criticism within the united ranks, is reinforced, the entire region, for the benefit of all its people, will draw nearer to comprehensive and just peace opportunities in a frank and open confrontation against the other hostile opportunities.

CSO: 4400/372

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

CONCLUSION OF LCY DELEGATION'S VISIT REPORTED

LD252157 Belgrade TANJUG Domestic Service in Serbo-Croatian 1521 GMT 25 May 83

[Text] Aden, 25 May (TANJUG)—An LCY delegation headed by Pear Matic, member of the LCY Central Committee Presidium, today ended its friendly visit to the People's Democratic Republic of Yemen [PDRY] at the invitation of 'Abd al-Ghani 'Abd al-Qadir, member of the Political Bureau and secretary of the Yemen Socialist Party [YSP] Central Committee, on behalf of the YSP Central Committee.

The LCY delegation was also received by 'Ali Nasir Muhammad Hasani, president of the PDRY.

During their talks, the two countries' party delegations, according to a statement for the press, carried out an extensive exchange of views on further development of relations and cooperation between the LCY and the YSP. They also discussed other aspects of cooperation and relations between the two nonaligned and friendly countries, international problems, and developments in the international workers' movement.

During their talks the two delegations noted that relations and cooperation between the LCY and the YSP and between the two countries are developing successfully. They expressed readiness to further deepen and promote cooperation between the two parties and the sociopolitical organizations of the two countries.

During the talks on current developments in the international workers' and communist movement in the world, the two sides laid stress on the need to build genuinely democratic relations in all progressive and democratic movements, based on respect for the principles of independence, autonomy, equality, noninterference and full mutual respect for the free exchange of views and experience on an equal basis and without any pressure and imposition.

The LCY and YSP delegations stressed the need to intensify the struggle to preserve peace in the world, to strengthen detente, and to struggle for disarmament and free development and affirmation of active peaceful coexistence in international relations.

In the context of talks on the situation in the world, the two delegations stressed the importance of the policy and movement of nonalignment and underlined the contribution made by the seventh nonaligned conference in New Delhi to peace, equality, enjoyment of the same rights and the right of all countries and peoples to free and comprehensive development.

They also emphasized the importance of the forthcoming sixth UNCTAD conference in Belgrade for setting in motion the settling of fundamental issues of international economic relations and development.

The LCY and YSP delegations assessed that the Near East is the world's most dangerous hotbed of crisis in the world. They condemned Israel's occupation of Arab territories and spoke in favor of a complete settling of the Palestinian questions and the Near East crisis. The two delegations also expressed their anxiety at the continuation of the war between Iraq and Iran and supported any initiatives leading to a just and lasting settling of this conflict.

CSO: 4400/371

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

OFFICIAL LEAVES FOR BUDAPEST--Mahdi 'Abdallah Salih, member of the YSP Central Committee and chairman of the Supreme People's Control Committee, left Aden for Budapest today leading a delegation on a several days' visit to Hungary, at the invitation of the chairman of the People's Control Committee in Hungary. In a statement to ANA, Mahdi 'Abdallah Salih said that this visit is to strengthen ties and exchange experiences between the people's control committees of the two friendly countries. He said that during its visit, the delegation will acquaint itself with Hungary's experiences in control. [Text] [GF100444 Aden Domestic Service in Arabic 1630 GMT 9 Jun 83]

CSO: 4400/371

BRIEFS

PRAISE FOR SAUDI ROLE--Manama, 11 Jun (WAKH)—The Qatari paper AL-RAYAH has reviewed the role played by Saudi Arabia in the framework of the GCC and the Saudi role which is aimed at the unification of Arab ranks and at the elimination of all the reasons behind the current differences. The paper called on all the Arab countries to support the Saudi efforts which will bring good results to all Arabs. The paper noted that the Saudi initiative--which paved the way for the visit of the Libyan leader and for the Libyan-Palestinian rapprochement--is a genuine effort to achieve unity with the aim of confronting the challenges to which the Arab nation is subjected. The paper expressed its conviction that the Saudi efforts will continue with the same momentum and that this will ultimately lead to extremely important results on various Arab fronts which caused the rift in the Arab position and caused this huge exaggeration of the current Israeli power. [Excerpt] [GF111130 Manama WAKH in Arabic 0830 GMT 11 Jun 83]

CSO: 4400/373

GOVERNMENT CLEARS WAY FOR SAUDI CONTRACTORS

Jiddah SAUDI BUSINESS & ARAB ECONOMIC REPORT in English No 6, 28 May 83 pp 25-31

[Article by Doug Graham]

[Text]

Contractors are still waiting for clarification on the new government decree ordering foreign contractors to give Saudi-owned firms at least 30 percent of a contract. The nationalities may differ, but the Americans, British, Koreans and Turks agree on one thing: they do not know what the full impact of the decree will be and they are not exactly sure what it means.

The decree was announced by Deputy Minister of Commerce Dr. Abdul Rahman Al-Zamil. He told *Saudi Business*, "Foreign contractors must give at least 30 percent of the contract as a sub-contract to contractors that are 100 percent Saudi." He specifically excluded joint venture firms from taking part of the 30 percent. "The purpose of this decision is to give a chance to Saudis to be assigned some work from foreign contractors." The restriction applies only to government contracts, not private projects.

He noted that foreign contractors had been warned previously that they should grant more work to Saudi firms. The government recently strengthened the warning, adding a restriction on machinery importation and opening up the government bidding process. The action was taken after an early March business-government conference in

Dhahran at which Saudi businessmen told government officials their firms were suffering from unfair competition from foreign companies. (See *Saudi Business*, March 19-25, 1983).

No contractor, either Saudi or foreign, is permitted to import machinery without dealing with local agents. This will safeguard profits for the Kingdom's construction equipment dealers. The decree changing the government bid process has effectively ended the invitational bids, and opens any government tender to all construction companies.

Although the Koreans deny it, the general consensus among the other foreign operators is that the decree was aimed at Seoul. A Laing Wimpey Alireza official said first the Koreans, and then the Japanese, have contractors capable of doing all the work on a project, from pouring foundations to finishing an interior. More important, for the Koreans, at least, is the fact that the larger Korean firms have invested large amounts of capital to mobilize their firms to handle complete projects. No one knows for sure, and the Koreans aren't saying, what the big Korean firms such as Hyundai Engineering and Construction Co. Ltd. or Dong Ah Construction Inc. Co. Ltd., will do with their trained workers and machines that have been set up to complete projects.

American contractor Al Dematteis, president of Riyadh-based Dematteis Arabia Ltd., said the overall impact of the new policies will depend on the final interpretation of the decree. Locally purchased items will probably cost more than imported ones, he said. He agrees that consideration should be given to the local products, but contractors will have to adjust for the higher-priced local materials. "It is their country and they are protecting their own," he said in agreement with the decree. "Now, there is a heck of a lot you can buy on the local market, and I think quite honestly that it should be given priority." He warned that purchase of local materials after a job has been bid on the basis of foreign materials can squeeze profit margins. "The local materials may be 5 or 10 percent higher, and if I bid a job tight, that 10 percent could mean I get nothing."

Expense aside, the old excuse that construction materials are not available locally no longer holds up. Glazing, ceramics, cement reinforcing steel, cable and other supplies are manufactured in the Kingdom. Saudi merchants have complained to the government that the difference in price is caused by foreign firms dumping their excess products on the Middle Eastern market. This problem is not new. In a Jan. 23, 1982, interview, Commerce Minister Dr. Soliman Solaim told **Arab News**, "Ever since 1974, there has been a Council Ministers' decision which specifies that companies that have contracts with the government should secure their goods from the local market and not resort to importing." A shortage of supplies in the mid-1970s caused the government to relax the importation rules. The shortages are gone now, so the imports will be cut back.

Nonetheless, product purchasing constitutes a profitable aspect of contracting. "Now, I look at this and say, 'Fine, suppose that the 30 percent part of the job requires a finished product that has to be imported. I might have my

Saudi subcontractor handle the locally available materials that are used in the initial phase, such as the wet-trade materials,' " says Dematteis. Sedat Ozyurek, general manager of the Turkish contractor Soyak, Construction and Trading Co. S.A. maintains that in certain jobs, such as installing telephone systems, the largest profits accrue to those who supply the materials.

The decree's stipulation that machinery must be purchased from the Kingdom's dealers is designed to do away with a loophole in machinery purchases. A similar law in the United Arab Emirates requires machinery to be imported through agents. Previously, the Saudi regulation simply required that machinery such as bulldozers had to be delivered to a Saudi address. Thus, unscrupulous contractors circumvented the law by sending the equipment to a Saudi brassplate operation's office and avoided dealing with agents. One British diplomat said the new regulations look like a move to quash such maneuvers.

The possible hike in materials and equipment costs is not causing contractors as much concern as other aspects of the new ministry decree. The rule that will have the biggest impact may well be the requirement for more Saudi participation. Dematteis warned that draconian application of the rule will result in difficulties. "On specialized jobs, you simply may not be able to find a Saudi firm that can handle the subcontracting. For instance, with dams or desalination plant work, I couldn't even use my own company, because we don't have experience there. Where could you find a 100 percent Saudi company with the expertise?"

This viewpoint was echoed by Turkish contractors from Soyak, which is one of the four largest Turkish contractors in the Kingdom. Dr. Ismail Hakki Moltay told **Saudi Business**, "I think they may have problems in some special projects such as power projects." He added that tunnel work like that performed by the Turkish firm of Sezai

Turks Fevsi Akkay (STFA) requires specialized contracting. "In a tunnel, everything depends on all of the people doing work together, so it really has to be done by one firm." But STFA is not trying to stay in the Saudi market alone. Company officials have formed many joint ventures with Saudi Arabian firms. (See *Saudi Business*, Feb. 26-March 4, 1983).

"I think the government of Saudi Arabia will have to look at this not so much in terms of 100 percent Saudi companies, but in overall investment, such as 50 percent or over," says Dematteis. He believes the contractors will turn increasingly to joint venture firms to continue doing business in the Kingdom.

Officials with Laing Wimpey Alireza Ltd. and Al Esayi Saif Noman Douglas Co. Ltd. (Asad) insist that their firms, which are joint ventures, are Saudi. But contractors want tighter definitions. "What constitutes a Saudi company?" Dematteis asks. "Can it be just a Saudi agent representing a firm, or does a Saudi firm actually have to do the work?"

Contractors are awaiting solid definitions, because some feel, as do members of the British diplomatic corps, that the regulations are aimed at brassplate firms as well as the Koreans. One British diplomat put it this way: "The Saudi government is interested in the transfer of technology and expertise, and they don't want some Saudi businessman putting his name on a joint venture of, say, Bloggs of England, and then having Bloggs do all the work." Joint ventures must use both Saudi and expatriate engineers and foremen to transfer know-how to the Kingdom.

The present decree specifically excludes joint ventures from picking up the 30 percent of subcontracting jobs available on government contracts, but some are wondering if they are officially exempt from the regulation. If joint ventures are considered Saudi firms, then the 30 percent subcontracting decree

will not apply. If they are considered foreign, then they will be under the gun. Dr. Moltay and other contractors think joint ventures are the wave of the future, especially ventures with good partners. "We don't, for instance, want some silent partners just to defeat the 30 percent regulation." That attitude is not new, however. The British Embassy already has an official policy encouraging British firms to form joint ventures with Saudis.

Those firms that insist on remaining wholly foreign-owned will need to double-check their Saudi partners. Contractors will have to check the Saudi subcontractor's cash flow, experience and overall business and industry reputation. The Saudi firm will have to be willing to tie into a contract, and carry out performance insurance on its part of a project.

Those firms will not find themselves changing their planning by setting aside 30 percent of a contract for subcontracts. "As a rule, the Europeans have always subcontracted much of their projects," one Laing Wimpey Alireza man said. The mechanical and electrical work inside a civil building alone account for 30 percent of its construction, according to industry averages. Dr. Moltay said electrical and mechanical work comprise up to 20 percent in housing and up to 35 percent in office buildings. The firms that will be hurt, Dematteis emphasizes, are the companies that have invested in labor and equipment necessary to do all necessary work on an in-house basis. The Korean firms generally have the greatest in-house project capability.

Contractors also differ on the effect of rulings regarding submission of bids. None feels particularly concerned about the fact that Saudi partners must be named as subcontractors on the initial bid document. An official with Asad said most firms have their subcontractors lined up before they submit their bids.

Others say the requirement may

actually bolster Saudi-foreign cooperation. Dematteis predicts foreign firms will use the "nominated subcontractor" system of submitting bids. "Sometimes, in tendering a contract, the general contractor may bring in subcontractors who also submit tenders. The figures will be added so the total, if it's low enough, will get both firms the job. Anybody prudent and wise would at this time say, 'We're bidding a job,' and bring in Saudi contractors to bid with them as nominated contractors.

"The easiest way to do it is bring people in and tell them you won't go shopping if you win the bid, and give them jobs as nominated subcontractors," Dematteis said. The two firms work as partners in submitting bids, so each firm has an incentive to bid competitively.

The requirement that the Saudi subcontractor be known when the bid is submitted does not faze Dematteis. "A contractor already has his subcontractors pretty much in line for a bid anyway." Others agree. They differed, however, on the March decree that government tenders will be made public.

Established companies such as Asad worry that the open bids may flood Saudi ministries. Company officials say in the past, the invitational system allowed a ministry to choose from a select group of contractors that had solid credentials and good track records in certain types of construction. One official is afraid that, with the new bidding system, unqualified contractors might slip through the net. But, the government is trying to tighten classification. A Feb. 13, 1983, statement from the Contractor Classification Agency of the Ministry of Public Works said that contractors will be examined and placed in categories. Government departments will have access to the data for making decisions.

The Kingdom's newcomers, however, are delighted with the new law. Dr. Moltay said, "In some cases, when we were not able to be invited, we were very

unhappy. We had to combine with others to get jobs when we could have done them ourselves. Sometimes the criteria hurt companies that didn't have the money for larger projects, even if they had the ability."

At the same time, he said the Turks welcome open shots at submitting bids for government projects. Korean officials at Hyundai praise the opening of the bidding process. One commented, "This is very good. We can go to the door of a ministry and buy copies of the tenders."

The contractors are still unsure of what the changes in the bidding process will mean over time. They have learned that the recent decree is retroactive to contracts that have been tendered but not signed.

Asad, for instance, was tipped to win the new administration headquarters building for the Saudi Ports Authority in Dammam, a contract worth SR200 million. That project will be sent out for bids again. Another project, for SR150 million of Dammam security housing, was yanked away from contractors. "The tender was in Saturday, and Tuesday it was canceled," said an official. "We need to know that is happening."

Construction Attache Sang Yol Yoo, of the Republic of Korea, said he does not think the regulations are aimed primarily at Korean firms, as some contractors suggest. "If this government thinks it is necessary to give protection to the local companies, it is our position to respect the wishes of the government. To observe the regulations of this country is our basic position, even though it causes an impact and may be damaging to our companies," said Yoo.

"I think through this kind of cooperation, companies from Korea and Saudi Arabia can promote the mutual exchange of their technology, knowledge and experience in the contracting field. In the long-term respect, this regulation will be instructive and useful," he added.

He said Korean firms currently give subcontracts to Saudi firms, but thinks the process now may accelerate. "Korean companies will choose joint ventures or they will give partial jobs to Saudi Arabian companies, but it will be their own decision. I don't know exactly at this moment, but after some time elapses, the real intention of our companies will be revealed."

He and officials at Hyundai feel the regulation is fair.

"It is an initiative by the government, and I appreciate it, but they will have to appreciate the differences between firms," said Dematteis.

Officials at Laing Wimpey Alireza said their firm foresaw the regulations and has already begun to integrate its operations in the local market. "We figure that in six months, the ministry will have some solid guidelines," one official said. One diplomatic source said initial classification may be coming sooner than that.

A British diplomat cautioned that contractors should remember the 30 percent rule applies only to government contracts, a sector of construction that is destined to decline in relative importance to the rest of the market. Completion of the infrastructure projects means there will be more construction of private buildings.

Dr. Moltay said Saudi Arabia will benefit from the transfer of technology in a major, but oft-overlooked, field. "We need Saudi subcontractors who will be around so they can do maintenance. These subcontracting jobs will educate Saudis and get them involved in maintenance and the routine jobs that keep a building or project going.

"It's hard to keep foreigners on maintenance, and it is something the Saudis will have to do themselves one day." ◇

SAUDI-JAPANESE TECHNICAL COOPERATION

Jiddah SAUDI BUSINESS & ARAB ECONOMIC REPORT in English No 4, 14 May 83 pp 32-33

[Article by Devadas Kini]

[Text]

The Japanese connection with the Kingdom began in the early 70s, and has been strengthening over the last decade. The web of economic relations between the two countries embraces not only trade — though that is the most important tie — but joint ventures and technical cooperation as well.

The recent fourth meeting of the Saudi-Japan Joint Committee, headed by Planning Minister Hisham Nazer, Japanese Minister of Foreign Affairs Shintaro Abe and Japan's Minister of International Trade and Industry Sadanori Yamanaka, "reviewed developments which had taken place between the two countries in the economic and technical cooperation field ... and had frank and useful exchanges of views on ways and means for the further promotion of this cooperation," according to a joint press release.

The most significant technical cooperation between Japan and the Kingdom is in the petrochemical field. Japan has 50 percent capital participation in the Eastern Petrochemical Co., which will produce 230,000 tons of ethylene, 130,000 tons of low density polyethylene and 150,000 tons of ethylene glycol per annum. According to the press release, "Both sides reaffirmed their commitment to the project.

The Saudi Arabian delegation requested Japan's continued cooperation so that the project would be completed in 1985. The Japanese side expressed its willingness to continue to cooperate for its completion."

The Saudi Methanol Co., in which Japan has a 50 percent partnership with Saudi Basic Industries Corp., already has commenced production. The first shipment was sent to Japan in April.

The committee also agreed to extend technical cooperation by setting up a Riyadh Electronics Technical Institute, a desalination project and a national cancer center.

The Riyadh Electronics Technical Institute, the conceptual and detailed design of which is ready, will provide four years of advanced training in electronics for 660 students. It will be staffed with Japanese experts, and is expected to begin operations in about three years, according to Koichi Kimura, counsellor of the Japanese Embassy.

The desalination research and training center at Yanbu, with a staff of 16 Japanese and 20 Saudi experts, will be operational within the next three months. The center will provide training for 200 students and facilitate research in various aspects of desalination.

Jeddah will be the home of the

national cancer center project. The 200-bed center, which is still in the conceptual stage, may take three years to complete, with a provision to increase it to 300 beds.

Japan has sent at least 313 experts in various fields to the Kingdom and has accepted 327 Saudi trainees in the last five years.

Japan currently has 42 joint ventures in the Kingdom. In December 1981, Japanese investment in the Kingdom was approximately \$168 million (excluding \$1.1 billion in Arabian Oil Co.), according to Masaru Masuda, the first secretary in the embassy. The Japanese joint ventures include petrochemicals (with SABIC), plant engineering, construction, maintenance and repair workshops, truck assembly, steel-pipe manufacturing, surveying and shipping.

The Middle East accounted for only 3.4 percent (\$2.4 billion) of the total Japanese investment abroad (\$45.4 billion) at the end of 1981. Saudi Arabia, with \$1.2 billion, had more than 50 percent of this investment. Japan's major investments are in the United States (34 percent), Asia (25 percent), Latin America (12 percent) and Europe (12 percent).

Trade is important to the economic relations between Japan and the Kingdom. Rasheed Al Bakr, director-general of the foreign trade department at the Ministry of Commerce, says that the Kingdom's exports to Japan increased at an average annual rate of 27.8 percent between 1977 and 1981. During that same period, imports increased at an average annual rate of 53 percent. Japan gets 37.6 percent of its oil from the Kingdom by importing 1.4 million barrels per day. The Kingdom imports cars, trucks, textiles, bars and rods, televisions, cement, tires, generators, transformers, refrigerators and machinery from Japan. ◇

SOCIAL SECURITY SYSTEM VIEWED BY MINISTRY OFFICIAL

Riyadh AL-YAMAMAH in Arabic No 751, 11 May 83 pp 14-17

[Interview with 'Abdallah 'Abd al-'Aziz al-Nu'ayyim, Ministry of Labor and Social Affairs undersecretary for social security affairs; date and place not specified]

[Text] The talk about social security is talk about a 20-year journey during which major accomplishments have been achieved. The social security budget has grown from 25 million riyals to 1.54 billion riyals, i.e., it has multiplied nearly 62 times. This is undoubtedly a magnificent accomplishment. The number of social security offices has risen from 25 to 75 so that they can be in every part of this good land. There are numerous facts and more questions on which we have interviewed 'Abdallah 'Abd al-'Aziz al-Nu'ayyim, the Ministry of Labor undersecretary for social security affairs, who refuses to have any barriers or closed doors between him and the needy.

[Question] It may be important to start with a question on the history of social security, with a comparison between the present and the past.

[Answer] The social security journey is a long one, which started in 1382 of the Hegira, and we are now in the year 1403, meaning that it is 20 years and a few months old. We have issued a book on the occasion to complement a number of other publications, namely, "Social Security in Five Years, in Ten Years, in Fifteen Years." Now that 20 years have passed, we find that we can now offer the following comparison: The number of social security offices was 25 and has now risen to 75 and the budget was 25 million and is now 1.54 billion. When we speak of the budget, we always speak of the provisions concerning the beneficiaries' pensions. We do not focus on the other provisions for two reasons: The first is that they are assisting provisions established to serve this provision and the second is that they are usually small provisions compared with the pensions provision. There are now 75 social security offices, three times as many as there were. If we apply for a larger number, the state will never refuse because it is always eager to achieve all that it deems to be in the interest of the beneficiaries, be it increasing the appropriations to any figure believed to serve this interest or increasing the number of offices to what is considered necessary. The larger the number of offices, the easier these offices will make each other's burdens. But there continues to be a difficulty in providing the personnel for these offices and for the other services. As long as the beneficiary gets the service in the easiest way and as long as he is

paid his pension in his own village, no matter how remote it is, and he is not required to go to a place other than his place of residence and, moreover, as long as the service is given to the beneficiary in his own home if he is unable to come to the office premises, then we find no urgent need to increase the number of offices. Yet, we propose more offices between one budget and the next, depending on the need.

[Question] You have just said that the beneficiary receives the social security service at his home. Does this mean that employees are sent to the villages where no offices exist to pay the social security benefits?

[Answer] The social security representative gets to every part of the kingdom, be it rural or urban, a small or a big village. In some sections where there are no villages and that are considered desert areas where there are population groups, we go to look for such groups where they live in order to pay them their social security benefits. But if there are two villages close to each other and it is not too difficult for the beneficiaries to go from one village to the other, we instruct our representatives to go to each village separately in order to avoid the sensitivities that may be generated in such cases.

The disbursement committees always leave the office premises with a timetable. Every village knows when they will come and every villager is paid his benefits in his place of residence. As I have already mentioned, if it is proven that a person cannot come to us, we go to him at his home.

Somebody may ask: Why should the social security employee or committee take all this trouble, considering that in the cases of villages located beyond the jurisdiction of an office, the disbursement is made in one of two ways; either by the banks in villages where there is a bank or by a four-member committee, which includes social security, Ministry of Interior, Ministry of Finance and Ministry of Justice representatives? What I mean is that it may be asked: Why should a committee of four persons take the trouble of going to a remote place or even to a place in the city to pay a disabled person instead of having a representative of this person come to collect the benefits? We, in fact, fight representation because we have, very regrettably, discovered that many people have difficulty finding a representative. Besides, if a person represents another, then he either holds this other person obliged or he collects--and this does happen unfortunately--a high price for his service. This is why we are fighting and rejecting representation. We are not trying to make things difficult for the beneficiary by rejecting his representative. If he is able, he must come. But if he is unable, then we go to him.

[Question] The office or a committee goes to the desert groups to examine their situation. This means that the Social Security agency even looks for the needy and studies their situation without their applying?

[Answer] No. For examination purposes, the needy must first apply because one of the conditions of an examination is that the needy person express a desire, because if he is needy and he doesn't want social security, then nobody can force him to take it. We cannot know if he wants help unless he applies. We

don't compel him to come to the office to be examined. He has to be examined at his place of residence and in his home so that his economic situation can be verified. The citizen is not asked to come from a village where there is no such office. The applications are generally deposited with the village chief or mayor and the examiners go to the applicants where they live. This is why we find that there is no urgent need for more offices. People may tell me that the beneficiaries or residents [of a village] want an office to be opened; but as long as the examiner goes to the citizen at his place of residence without the need for the latter to come to the office, and as long as the office goes to the citizen to pay him at his place of residence, then what need is there to open an office, whether in the village or 5 kilometers or 50 kilometers from the village? The one who endures the hardship is the social security official. This is why we open offices from time to time only after numerous field studies through which we verify the need for such offices.

[Question] What if we ask about the number of beneficiaries at this time?

[Answer] We have aid and pensions. We will talk about the aid situation afterwards. As for pensions, they are in a different category. In the first 17 years of social security, there was a provision for aid and a provision for pensions. It was then decided to merge both provisions. This was the opinion of the Ministry of Finance and we found it to be a convenient opinion that is beneficial to us and beneficial to the procedures. Thus, the pensions and the aid provision have become a single provision.

[Question] On the basis of having flexibility in disbursement?

[Answer] Yes, there is now flexibility in disbursement and each provision may benefit from the other. The number of cases presently receiving social security payments is nearly 300,000. Each case may involve 1 to 7 persons.

If the head of a family is alone, he is considered a case. If he supports 1, 2 or more persons, up to 7, he is considered a regular case. The pension depends on the number of family members.

[Question] You have said that the number of cases is 300,000. This means that 1 million individuals may be reached?

[Answer] More, because when we say a case may involve 1 to 7 individuals, we assume that the average is 4-4.5 individuals. This means that the social security cases involve nearly 1.3 million individuals.

[Question] Here emerges a question. This figure is rising, meaning that 5 or 10 years ago the number of cases was much smaller. Isn't a question raised in a rich oil country like ours when social security is paid when it is assumed that it should be possible to pull poor cases out of their poverty and improve their conditions?

[Answer] This question is asked. But the main condition for qualifying for social security is not poverty. What I mean is that an 18-year-old or 20-year-old man is not entitled to social security, no matter how poor he is. Those

entitled to social security are senior citizens unable to work because of old age, people disabled by illness, women who have no support and orphaned children with no support. The main condition for entitlement is the lack of an adequate income, meaning that if a widow has an income of 30,000 riyals a month, regardless of the source, then she is not entitled to social security. Even a disabled senior citizen, i.e., a citizen meeting the requirements of disability due to old age and disability due to illness, is not entitled to social security if he owns buildings or has an income, because the main requirement is lack of income. But along with the lack of income there has to be an inability to work.

An active young man with no income is not entitled to social security. Therefore, there is no fear that it will be said that social security is one of the reasons for unemployment or of dependence [on the state]. Another observation cited concerns the growing figure. This figure is supposed to grow now but there will come a day when it drops again.

We now see that the annual increase in the number of social security cases is very small. In the first years, the figures were fearful. The number of cases applying for and receiving social security aid increased in the first 10 or 11 years and then began to decline. We do not say increase but new cases, because every increase is considered new cases for the new year [as published]. The number of new cases is decreasing annually. What I mean is that all the members of a family whose head started collecting social security in the year 1382 of the Hegira have now stopped collecting this aid because they have reached the age of 18 years or more. For sons, the aid stops at the age of 18 whereas it continues for 2 or 3 more years for daughters, who then get married. This is why in the coming years we expect old people to die and young people to reach working age when they go out in life and work, thus ending their need for social security. But there will always be groups such as women with no support and orphans. Still, we expect that women with no support and orphans will have an income in the future.

[Question] This is true. But there are fears that this figure includes a number of people who collect social security without being entitled to it.

[Answer] This is likely in every sphere, be it social security or something else. But we have employed every means to put an end to this, true or untrue. As far as we are concerned, the law is clear. Reexamination is done annually. Before making payments to anybody, the disbursement committees ask the individual concerned a number of quick questions which make it clear if this individual is entitled or not. However, throughout this long journey, and for fear that something of the sort may be said, we have not to escape such statements but for fear they might be true and in order that we may not be the only ones confirming the truthfulness or falsehood of such statements--included other parties in the follow-up examination. At the outset, we proposed a committee comprised of us and the Control Bureau. That committee actually did operate for a long time and examined numerous cases at the time and produced good results. We then proposed a quadrilateral committee comprising Social

Security, the Ministry of Interior, the Ministry of Finance and the Ministry of Justice to do the examining, in addition to the disbursement committee. The quadrilateral committee conducted more thorough examinations, considering that permanent quadrilateral committees were established in each office. All social security cases were examined and the committees concluded that the cases were 100 percent correct, except for 1 or 2 percent. Even this percentage was not due to cheating but to changes in conditions, such as a woman getting married. There may be a very insignificant percentage of cheaters involved. If there is 1 percent of such cases, then it is a very slight percentage. The presence of this percentage is due to the fact that the other authorities, which have representatives, proposed abolishing the committees because, first, there was no need for them and, second, because the results achieved were not compatible with the costs involved.

[Question] When was this [quadrilateral] committee formed?

[Answer] It was formed in 1387 of the Hegira and continued to operate for many years. When the other authorities proposed that the committee be abolished, we turned down the proposal and said that the committee was beneficial because we wanted to have the truth and needed help from the others to make the examination thorough. But the other authorities again proposed abolition of the committee, and the issue continued under discussion for 5 or 6 years until we actually found that there was no need for the committee. This is why, when we were asked, we said that the committees decided this. We can say that we do not claim that all our procedures are 100 percent correct because this is totally impossible. However, I can say confidently that if there is a percentage of error, it is an extremely small percentage.

[Question] But this committee was abolished 10 years ago, according to what you have said. Don't you think that it is possible for it to be reformed periodically, such as every 5 years, for example?

[Answer] The fact is that we have not totally abolished the committee. When it was proposed that the committee be abolished, we thought that it should not be abolished irrevocably but that two standing committees continue to exist as they were in the past and with representatives of the well-known authorities so that they might swing into operation any time the need for a more thorough examination arose. When there is a case that we suspect, then we subject it to a more thorough examination. There may be a problem to which we are a party. So that the defendant will not be the judge, this committee is included. The committees still exist, but not as in the past.

[Question] There are some cases or families that are somewhat modest and reluctant to contact the authorities to prove their need. Do you study such cases?

[Answer] This is true and we do have many cases of the sort. The main thing is that this pension is paid by the state and no deserving person should hesitate to collect it because he is not being done a favor. But let us, for the sake of argument, (examine) this contention, which is raised every now and then. From our experience on the spot and our position of responsibility, we

do not easily support all that is said because people are humane, emotional and affected by appearances. As soon as somebody sees a family that seems to be in need he says this family is modest and has not applied for social security assistance. But the fact is that a very large percentage of those who are believed not to have applied have actually applied. People know that this aid is from the state and that they are entitled to apply for it without hesitation. But assuming that there are persons entitled to social security who are reluctant to apply for it, there may be others who could apply on their behalf. But the problem lies in completing the procedures. The procedures cannot be completed unless the people concerned want them to be completed. If they are unwilling to cooperate and if it is found that there is an urgent need for the aid, then the social security includes assistance and pension provisions. The assistance provision is flexible and the minister is empowered to deal with a case in the manner he sees fit to serve the interest of the people involved. There is no case that we cannot solve. But if there is somebody who is so modest as to refuse the aid, then there is nothing that can be done. But if a person refrains from applying because of the routine procedures we follow and from which other people don't shy away, then I believe that we can help. There are many cases we are helping. Moreover, there are cases that may not be entitled to social security in accordance with the routine procedures or the general rules. But there are other ways to help those deserving help, not vice versa. This problem may be clearer in the case of widow or a divorcee who has children who refuse to see their mother contacting government offices to benefit from social security. At the same time, the woman finds herself in need of this assistance to meet her needs and manage her affairs. Very simply, such a woman can apply without the knowledge of her children. In any case, children who know that their mother is poor have the best, cleanest and most honorable way to get help, namely, take the social security pension. They either collect social security, to which they are entitled, or they get help in other ways, and I don't believe they will accept the other ways. As for those who are reluctant to apply because they have a small income, then their reluctance is because they have something. Those who have nothing do not hesitate at all. We have had no difficulty in dealing with any case and we would not be boasting when we say that we have not yet encountered a case we have not been able to solve. We have a very humane minister who does not hesitate to offer any help in this regard.

[Question] It is said that the beneficiary cases include nonexistent, imaginary names. What is your comment?

[Answer] Of course not. This is an accusation that does not, under any circumstances represent 1 millionth of the truth because the beneficiary must first get an application form from a branch office and the application must include his (identity card). The authority that decides on the pension is the main office, which is located in another city. The person's name and his (identity card) must be included in the application form. An examiner, an auditor and a reviewer examine the case in the main office and the decision is made by another person in the office and is signed by yet another official. All these people cannot collude on an imaginary name. Besides, at the time of disbursement, the person concerned himself comes to receive the payment. If the payment is made by a bank, then the bank has the person's name and if

it is made in cash, it is disbursed by a committee formed of four persons, representing Social Security, the Ministry of Finance, the Ministry of Interior and the Ministry of Justice, in the presence of the tribal chieftain or the mayor. If the recipient is a woman, then a person comes and identifies her as Fatimah, if her name is Fatimah. Even a woman cannot receive payment if she does not have an (identity card). How can a pension be put in the name of 'Abdallah if 'Abdallah does not exist? We should keep in mind that the examiner is one person and the disburser another. It is futile for someone to apply under imaginary names because the disburser is somebody else. The examiner does the examining and the payment is made by another party.

[Question] Are there cases in which payments are made to representatives?

[Answer] We do not pay to representatives. We even go to disabled people to pay them in their homes. Payment to representatives is done only in the case of underage orphans for fear that they might waste the money if they collected it and for cases proven to be mentally retarded in accordance with a medical report or a legal document. Only in these two instances are payments made to legal representatives.

[Question] It is well known that social security is intended for the Saudi citizen. Is there a study on providing some sort of social security for someone who has spent a long time in this country and who has become disabled or developed a physical infirmity and stayed in the country with his children?

[Answer] The truth is that we reject this principle because we do not to encourage the others. The country is full [of them] without our encouraging them. But there are cases where the wife is a Saudi citizen and the husband is a non-Saudi residing in the kingdom permanently. The children are, of course, considered non-Saudi by nationality. In the past, we refused to discuss such cases and did nothing for them. But recently, if we find that the father is unable, according to the social security criteria, to support the children from a Saudi wife [sentence incomplete as published]. If he dies, she becomes their supporter. At times if the father is totally disabled, we consider him dead and we consider the mother the family supporter. But in fact, we don't encourage this much so that matters do not get [out of hand]. However, we do deal with such cases at times.

[Question] Regarding the system in force, is it a system derived from positive laws or from European systems or is it taken from Islamic legislation?

[Answer] The truth is that it is taken completely from Islamic legislation. We have published a book in which we have referred to this point and noted that every citizen is entitled to rights from the state. The proof that the system is totally derived from the Islamic legislation lies in the fact that a part of the social security allocation included in the budget contains the alms tax collected by the state. Of course, this tax is not enough. But it is still included in the budget. There is no doubt that Islam is the first system to guarantee care for the needy.

[Question] This means that the system is derived from social solidarity?

[Answer] Yes, it is derived from social solidarity.

[Question] But it has been developed in one way or another?

[Answer] Yes, and it includes other aspects. There is no doubt that the state is responsible for providing care to those who need it.

[Question] There is a question concerning the social security budget, which amounts to 1.54 billion riyals. If this budget is invested in buildings or in projects yielding a certain profit, meaning that if it is used in investment...

[Answer] The fact is that we have been asked about this repeatedly. The question has no place here because the sum is commensurate with the cases. The pensions are for existing cases and there is no surplus to be invested. As soon as the appropriation is disbursed by the Ministry of Finance, it goes straight to the beneficiaries and is spent immediately, with nothing at all left.

[Question] Meaning that it is disbursed in one payment, not over separate periods?

[Answer] At first, it was disbursed over four periods, then over two periods and then pensions came to be disbursed to the beneficiaries in one payment, meaning that the beneficiary's pension is like the civil servant's pension. We cannot invest these pensions because they are disbursed, with nothing left. But if we assume for the sake of argument that the beneficiaries' pensions amount to 1 billion riyals out of a budget of 1.5 billion riyals, then, in such a case the remaining sum could be invested. But why do you invest? To have an income. The state gives the agency all the sums it requires to meet the beneficiaries' needs. As long as all the requirements are fulfilled, there is no need to invest surplus sums if they existed, and they don't exist to start with. If such sums existed, then the authority supplying me with my needs would invest them the way I would invest them to meet my needs.

[Question] Let us move to the assistance. There are those who believe that the assistance given in case of fire or theft is less than the loss and may not enable the victim to make up for what he has lost.

[Answer] To make matters clear insofar as assistance in the case of natural catastrophes is concerned, the state offers various forms of assistance. We in social security offer assistance in cases of personal catastrophes, such as car accidents and the like. We make it conditional in such cases that the recipient be a person with a limited income because if he has a high income, he can cover the expenses even in the case of a catastrophe. If the catastrophe is a major one, then other agencies deal with it and have the material resources to do so. If we turn to dealing with major catastrophes, then we will consume our appropriation. This is why we make it conditional that the case be an individual case and we inquire about the income of the individual involved and then advance to him assistance not exceeding 15,000 riyals or one half the losses, whichever is less. Regarding this point, the very regrettable thing is that it is almost impossible to know the truth here because in the

case of a catastrophe, assuming the presence of a catastrophe to start with, it is impossible to get information on the actual losses. The losses are dealt with after the catastrophe occurs and we have to rely on the word of the victim himself. All victims, with no exception, exaggerate enormously and lie without any hesitation regarding their losses. This is why the sum assumed by the agency paying for the losses or expenses may exceed the actual losses. Estimates of the losses are made by a committee comprising representatives of various agencies. But regrettably, as long as the truth cannot be reached regarding the losses on which the estimate is made, there will always be exaggeration.

[Question] What kind of assistance do you advance, financial or in-kind?

[Answer] Financial. But we do have in-kind assistance for cases other than catastrophes. For example, we have wheelchairs for the disabled, medical beds for patients who need such beds and prescription glasses. What I mean is that the in-kind assistance is medical assistance.

[Question] Has social security helped to eliminate unemployment by providing work to disabled people, for example?

[Answer] We have a good number of what we call production projects, amounting to more than 600 in various parts of the country. We help the disabled with money. He applies to the office and determines the kind of work he wants to do and a sum that he believes to be enough to cover his costs. We study the applications and made it conditional that the sum be spent by the examiner, meaning that the examiner purchases the materials and the office pays the money. We have contributed in this regard. The latest case of the kind came up a few days ago. It is the case of an excellent mechanic who was paralyzed. He has applied for a workshop because he used to work for a company and wants to start his own workshop and do his own work as much as he can, with the help of a number of workers he employs. In Wadi al-Dawasir, a chicken farm was started and there are a number of such projects in al-Ahsa'. The main thing is that we do not chase such people away and we don't ask them to give up their social security. However, a large percentage of them come to the agency when their projects develop and say: Thank you, we don't want social security.

[Question] Is there a maximum limit?

[Answer] Naturally, we don't advance sums in the hundreds of thousands of riyals. However, it depends on the project itself. There may be a project for which 2,000 riyals might be enough and another project that might require 20,000 riyals. For example, there is a woman who wants to work as a seamstress and all she is asking for is a sewing machine costing 1,500 riyals. There are those who apply for a small booth somewhere. I especially thank the municipality of the venerable Mecca because it cooperates fully with us, provides us with useful spots on which to set up the booths and contributes by foregoing the fees it would normally collect. Some companies, such as the Aluminum Company, contribute greatly because they reduce their prices [for the disabled]. Meanwhile, there are other municipalities, and I am not going to name names, that refuse altogether to give the disabled a place. The attitude is different from place to place.

[Question] When one municipality permits and another prohibits, then this means that the prohibition comes from the municipality itself and that there are no overall regulations?

[Answer] I cannot say anything on this issue because I don't know a lot about it. But this an occasion to thank the capita's [sic] municipality because it contributes greatly. By the way, the city of Mecca has the largest number of and most successful projects by disabled persons.

[Question] Does the agency or the office encourage the beneficiary to start and continue such a project?

[Answer] Of course. We proceed with the beneficiary step by step. We first give him the money and then we contact the municipality if such contact is needed. He may also need to contact merchants so that they will lower their prices, or the margin of profit, they charge him. We are supposed to inspect the projects every 3 months and to write reports on them.

We always encourage them but those who want to have their projects are a minority. When we find that only 500 out of a total of 300,000 cases have their projects, we know that this is a small percentage. In my opinion, there are reasons--and they may be assumptions. There are individuals who do not need work because they have other businesses. Other individuals imagine that if they apply for a project, they will be denied their social security benefits because their application means that they are able to work, even though we make it clear to the beneficiary that this work cannot be a reason for depriving him. While the project is developing, it is examined, watched and encouraged and we make reports on it. If it is found that the beneficiary needs more assistance, then we advance it.

[Question] Don't you think that the pension is still small?

[Answer] No, it is not small. There are those who say that it encourages unemployment. The head of a family collects 11,346 riyals [annually], or nearly 1,000 riyals monthly, and he would not under any circumstances earn much more if he worked as an employee. If you increase the pension and make it equal to his pay or income while working, would he think of going to work?

There are cases we are eager to help. For example, we have found that imams and muezzins do have an income but they are poor and old. If they are given a social security pension and find that it is equal to their income from their jobs, they will give up their jobs. This is why we have exempted them and said that every one of them will receive the pension, no matter how small or high his income.

[Question] If we compare last year's beneficiaries with this year's, has the number increased or decreased?

[Answer] So far, the figure has been rising because new cases come every year. There are cases that have not been fully examined. The process is continuous. There will always be widows and orphans without support. The number of cases will diminish gradually but will not end altogether. Orphans, widows and old people will continue to exist.

[Question] Is there anything else you want to add, or are there any points you want to underline?

[Answer] I don't really have any specific points. But I do want to ask the public to cooperate with us. We receive numerous reports on cases collecting benefits without being entitled to them. It has been discovered that the reports are sent out of motives of revenge. I wish the reports we receive were in the public interest and not out of personal malice.

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POULTRY PRODUCTION EXAMINED

Jiddah SAUDI BUSINESS & ARAB ECONOMIC REPORT in English No 4, 14 May 83 pp 23-29

[Article by John Hopkins]

[Text]

During the past 10 years, chickens have become an essential part of the Saudi Arabian diet, mainly because of the shortage of, and consequent high prices for, meat, particularly the traditional lamb. With prices averaging SR7 per kilo, chicken can be purchased at one-third the price of most meats in the Kingdom.

Saudi Arabian consumption of chicken per capita is probably the highest in the world, averaging more than 31 kilograms per person annually. The increase is substantial from the average five years ago of 16 kg per person.

Although domestic production of chickens has risen tenfold during the past 10 years, the increase in chicken consumption still means that foreign imports supply 62 percent of the market. This is expected to drop to 40 percent in 1983, as many huge projects come into production. From 1973 to 1982, domestic production increased from 8,000 tons to 79,000 tons, but imports also increased from 11,400 tons to 196,000 tons.

In the Kingdom, intensive methods of chicken production are independent

of chicken production are independent of the external surroundings, and the chickens never see daylight from hatching to slaughtering. The only concession to the Saudi climate that a chicken needs is a cooling system during the summer.

Most of the chicken feed is imported to the Kingdom, but government subsidies of 50 percent keep the cost between 40 to 60 percent of the total cost of production. Also, the modern farms usually have a rendering plant which turns the offal from the slaughtered fowl (including feathers, feet, head, giblets and even chicken manure) into useful protein feed.

Additional subsidies and interest-free loans for poultry farmers include 30 percent for automatic feeders, hatcheries, feed mixers, slaughtering equipment, refrigerating and freezing equipment, crates and cartons for chicks and related farming equipment, such as electric generators.

The Saudi Arabian Bank (SAAB) and the Saudi Industrial Fund (SIDF) are the main suppliers of interest-free credit, which is 100 percent for relatively small projects, 80 percent for the

first SR3 million of large projects and 60 percent for other projects. Collateral may be the mortgage of real estate, gold, Saudi Arabian bank guarantees, and for small amounts, mortgage of the crop proceeds or a personal guarantee (for loans less than SR3 million). For gold collateral, the loan is 90 percent; and 50 percent against personal or bank guarantees. The 30 percent allowance for equipment is reduced to 20 percent if the purchase is made through a SAAB loan.

SAAB loans have totaled SR381 million for 103 broiler (roasting) chicken projects, totaling 985 million birds and SR196 million for 55 egg laying projects, producing 914 million eggs. Some high-volume producers such as Al-Rajhi's Watania project and the Fakh empire have not used the interest-free government loans.

Two sharp peaks in production have occurred: one in 1976, with a 49 percent increase to 22,000 tons per year; and the other in 1980, with a 34 percent jump to 47,629 tons. However, recent increases have been even larger, with a 100 percent increase between 1980 and 1982.

These "skips" in production increases are due to high capacity farms coming into production, and with so many large farms being established, further skips are expected over the next four years.

Imports of frozen chickens have exceeded all expectations, reaching 28 percent in 1979, 38 percent in 1980 and 24 percent in 1981.

Through 1982, in spite of increasing domestic production, the ratio of self-sufficiency decreased because of rising demand. But in 1982, it increased from 25 percent to 38 percent. In 1983, it is expected to reach 60 percent. This increase was not foreseen by government statistics, which predicted approximately 20 percent for the next three years. Total project demand for the next three years is expected to be 331,700 tons for 1983, approximately 365,310

tons in 1984 and 398,920 tons in 1985. Dr. Salah Al Mozaini, director general of the Animal Resources Department in the Ministry of Agriculture, said the Kingdom will be self-sufficient by 1988.

However, it is important to distinguish between the capacity of the domestic farms and their actual production, since most of them are running at 50 percent capacity. Al Watania, located outside Riyadh, is operating only two shifts at 50 percent capacity. It is in the process of increasing its housing capacity to include 80,000 birds in the present plant and a second building with a 100,000-bird capacity.

Foreign imports are cheaper than many home-produced chickens, and it is possible that imports will eventually be taxed, just as egg imports recently received a 25 percent tax. In the Kingdom, self-sufficiency is unevenly distributed, and it has been suggested by some poultry farmers that the subsidies be withdrawn from certain areas as they reach a fixed proportion — perhaps 60 percent of total consumption — for the area, to prevent an eventual surplus of birds. An alternative would be exports — heavily subsidized, of course. Rather than fierce competition, cooperation between chicken producers is likely. Since the government has invested so much in loans and subsidies, it is unlikely that any firm will go bankrupt.

Al Watania's Marketing Manager A. S. Shamsan suggests that the government could help by establishing a fixed price distribution company. He believes exports will be reduced in the future, either by taxes or quotas.

Sheep prices are the main reason for the increase in poultry consumption. In just five years, poultry consumption has increased from 16 to 31 kg per person per year, and in the same period, prices of home-produced sheep have escalated, with a lamb costing from SR600 to SR1000. Production has remained steady at 26,000 tons.

The increase in lamb prices and the availability of inexpensive eggs and chickens have changed the country's eating habits.

With intensive poultry production, the risk of infection is high. It increases when poultry manure is being dumped, and carcasses are burned inadequately, in the open. The dead birds are left for carrion to scatter and spread infection.

The feedmill, processing and rendering plants have to be kept a considerable distance from the vast complexes, which hold up to 1 million birds, to prevent disease from traveling. Diseases such as coli-septicemia, fowl coryza, chronic respiratory diseases and fowl typhoid have become so common, the Ministry of Agriculture has started salmonella control by blood testing at all breeding farms. Any suspected cases are checked out at the regional veterinary or poultry pathology laboratories. At some farms, fowl typhoid has caused 40 percent mortality, while other farms have been completely depopulated. In December, Taif farms were decimated.

The founding father of mass-produced chickens in the Kingdom is Abdul Rahman Fakih, who began modestly in 1963 and built a 30 million per year broiler empire. The secret of his success has been a multiplicity of small shops, situated in the densely populated city areas, with one shop per kilometer in some places. Fakih has 400 shops in the Kingdom, with 150 in Jeddah.

Fakih's method is unique and it can be a shock to the uninitiated. His chickens are delivered live to the shops. The customer picks out his selection, and the birds are slaughtered on the spot, with their throats cut in the authorized Islamic manner. After bleeding, the feathers are removed in a spin dryer equipped with rubber protusions. Then, the chickens are dressed and placed in plastic bags.

There are now many imitations of Fakih, with merchants buying their birds from large farms trying to satisfy

the consumer's preference for fresh birds. The price — SR6 — has not changed in eight years, regardless of the size of the bird or where the shop is located. Some of Fakih's rivals claim his shops are too Gothic, with dim lighting and rails surrounding the waiting customers. His popularity is undoubted, but it is being challenged increasingly.

Fakih retails his chickens through his shops. He plans an additional 80 shops in 1983. He claims to have the largest private feedmill in the world, annual production of 44 million broilers and a plant that can handle 1,200 tons of chickens per hour. Production should reach 52 million by the end of 1983, and 70 million by 1984, according to a spokesman. The Taif farm is being vastly extended, and it now has a staff of more than 2,000 persons. The Dutch company Volkamp is constructing the extra project in Taif on 500,000 square meters. It will have 280 houses, each containing 60,000 birds. Ninety percent of the operation is in Taif. Fakih also has a "small" operation in Riyadh, which has 5 million broilers. The Riyadh operation gets its day-old chicks from the Taif and Makkah hatcheries, and Fakih also sells day-old chicks to farmers. The total number of day-old chicks produced at Taif and Makkah is 52 million per year.

Fakih purchases his feed from Holland, the United States and West Germany. It consists of meat, fish meal, yellow corn, soybean meal, calcium phosphate and antibiotics. In Jeddah, there is a Fakih Feed Factory in the Industrial Estate and a new processing plant has been opened on Makkah Road.

A more centralized slaughtering operation, Al Watania, delivers fresh dressed birds to a chain of shops, supermarkets and contractors.

Sheikh Suleiman Al Rajhi, an owner of Al Watania, is best known for his chain of money-changing establishments throughout the Kingdom. He and his son-in-law, Sheikh Abdul Aziz Al

1982 SECOND QUARTER FROZEN CHICKEN IMPORTS

	Kg	Value (SR)	Value to Date (SR)
France	32,159,988	135,107,091	254,382,848
Brazil	1,686,885	68,681,467	131,320,528
Venezuela (new)	2,547,000	11,280,054	11,280,054
Argentina (new)	250,000	1,112,906	1,112,906
Denmark	569,469	2,713,140	3,715,574
Hungary	489,360	2,475,915	9,121,268
Bulgaria	456,956	2,026,193	11,933,816
U.S.A.	936,036	6,299,265	11,485,733
Botswana land	890,000	3,349,750	9,802,181
West Germany	132,438	565,871	4,586,430
England	164,473	315,989	1,196,121
Holland (new)	610,381	2,736,979	2,736,979
Other countries	171,801	1,643,376	3,213,093
TOTAL	56,098,787	238,307,996	455,967,531

1982 SECOND QUARTER LIVE CHICKEN IMPORTS (FOR BREEDING)

	Quantity	Kg	Value (SR)	Value to Date (SR)
Holland	782,072	24,163	1,631,157	4,144,323
Other countries	873,359	31,798	1,502,371	3,727,957

Sudais, invested in the poultry and egg firm which by 1985 may become the biggest in the Kingdom, producing about 15 percent of the total eggs and broilers in Saudi Arabia.

Ultimately, the firm plans to produce 65 million broilers and 250 million eggs. According to a spokesman, profit is not the incentive — especially as it is coupled with a high risk — but rather a determination to help Saudi Arabia depend less on imports (although the feed is imported). It also is in line with their aim of investing in Saudi Arabia. Plus, as devout Muslims, Al Rajhi and his son-in-law are concerned that the 300,000 tons of frozen chicken imported annually may not have been

slaughtered according to Muslim law.

The project is equipped with 54 broiler parent stock houses and 144 growing houses, and is expanding to 72 parent houses and 144 growing units. The site is 5 km by 7.5 km and will be situated 50 km outside Buraydah, the capital city of Qassim Province. It will have water supplied from wells, will be isolated from other poultry farms (which reduces infection risk), and will be located in a central position to serve all the main consuming centers with its fleet of refrigerated trucks. There are also plans to add an additional million egg layers by February 1984.

Shamsan believes that birds produced by the company will occupy an

untouched marketing slot between imported frozen birds and the declining fresh bird market (where the birds are selected by the customer, slaughtered and dressed in the shop).

Al Rajhi's Watania (national chicken) birds are fresh, not frozen, and are killed in hygienic circumstances at the farm. When the birds are delivered to the shops or supermarkets, they are ready for customer purchase without the messy and time-consuming business of slaughtering and dressing. Imported frozen chickens retail at SR5-7 and Watania charges SR5-7, depending on the size, giving retailers a SR2 mark-up. The plant produces air-chilled fresh birds, but it also has a blast-freezing capacity should customers need to transport the chicken long distances. Being air-chilled, there is no surplus water like there is with frozen birds. There is a Saudi standards requirement that no more than 2 percent of poultry can be water.

All the water on the Watania site comes from wells ranging from 100 to 900 meters deep, and the surplus water is used to irrigate wheat fields and grow cabbages in greenhouses.

Volkamp supplied all the stock houses. Each parent stock house holds 7,000 birds and growing houses hold 32,000 broilers. The pad cooling system is used to keep the birds safe and comfortable, even when the temperature goes as high as 45 degrees centigrade.

Watania outlets include supermarkets, the company's own leased chicken and egg shops and contracts with caterers, such as the military and hospitals. The company has cold stores in Jeddah and Riyadh, and presently is building one in Dammam. Large trucks supply chickens to the big cold stores, and smaller vans distribute chickens within the towns. There are, of course, coldstores at the Buraydah complex, including one built into the new processing plant which eventually will handle 10,000 birds per hour.

Dammam, Qassim and Riyadh are

Watania's three hubs, and the spokes will be the smaller scale distribution networks. The company already has leased 40 stores (including several in Jeddah) and plans to have a shop in every main city or town. It is hoped that these stores effectively will set the price of the Watania chicken, so the supermarkets will follow the Watania shops in their pricing.

Intercool supplied the first 8,000-chicken-per-hour plant, using Meyn processing equipment, Gram refrigeration equipment and a Meatec rendering plant. The second plant, adjacent to it, will produce 10,000 birds per hour. The 40-ton-per-hour feedmill was built by Van Aarsen, and another feedmill will be built for the second plant. As soon as port-side storage facilities are established in Jeddah, the feed will be delivered in bulk instead of bags.

By far, the most popular size chicken sold is the 1 kg, eviscerated bird, which is purchased without giblets, wrapped in plastic bags and packed, 10 bags in a box.

The son of Petromin Chairman Sheikh Abdul Hadi Taher entered the egg and broiler business last year at his Yathrib Farm operation 60 km north of Jeddah. The company is managed by Tareq Abdul Hadi Taher and a 16-member management team from Switzerland, headed by Marketing Manager John Dreier. The project received a SR270 million loan from the Ministry of Finance, since SAAB limits its loans to SR20 million.

Yathrib eggs are selling well, although a premium price is charged. They have developed a brand loyalty and can easily be recognized in their plastic trays. However, the chickens are not as successful because production costs are so high and the price is out of range of supermarket business. Chickens sell wholesale at SR7 in supermarkets and retail at SR9 per kilo. (Dreier hinted that a supermarket order is expected soon.)

Dreier said the cost of production is

more than SR5 per kilo, which is the retail price not only for the foreign birds, which he describes as "second grade," but also for some of the domestic birds. In defense, he claims that quality eventually will win, and that the Yathrib "fresh frozen" birds, sold within weeks of freezing, retain their quality better than "month-old" frozen birds. So far, however, only the one-kilo size is selling within that time, and both the smaller and larger sizes are "sticking" in his cold stores at Yathrib and Yanbu. Dreier assumes that Yathrib got off to a slow start in October 1982 because the prices did not attract possible large-scale buyers. According to an official, the company is still struggling to close that month's gap, and most sales have been to hospitals, government institutions and contractors such as Sodexo and Saudia Catering.

The farm's operating costs are high, with a large foreign management, an expensive desalination plant, a computer-controlled feedmill and a large workforce, mainly Sri Lankan. Dreier would be happy to break even this year, but says that Sheikh Taher is satisfied with present progress.

In order to break into the retail market, Yathrib plans to open 25 small shops this year, similar to those of Al Watania, devoted to selling Yathrib poultry and eggs. The shops will be situated in highly populated working-class areas such as Makkah, and in Jeddah. Initial costs will be high, but operating expenses should be low. Yathrib sales are expected to be 80 percent chilled and 20 percent frozen. Dreier claims to be handicapped in the retail stakes by the accuracy of the weighing and stamping machines. At the farm, the machine prints to the nearest gram, instead of a rough figure accurate to within 50 grams.

Annual production of 3.5 million broilers is the goal, and it appears this target can be met production-wise. But can they all be sold? Dreier says that

"this is a low-price oriented market, and I want to persuade it on the merits of quality."

The Abdul Gader Mira poultry project opened a new farm in Jeddah (on Makkah Road) this month. The project was financed with a SR47 million loan and will produce 3 million chickens annually. Also in Jeddah, the Al Suleiman poultry farm on Makkah Road opened recently and will produce 100,000 chickens monthly. The company was privately financed.

The latest chicken farm to go into production is the Arab Company for Livestock Development (ACLD), which is a joint government venture with Saudi Arabia and 11 Arab countries. It started operations in February with 27,000 one-day-old chicks and 140,000 fertilized eggs on a site near Buraydah. It was built by HVA-Saudi Arabia Ltd. for SR150 million. Like most large plants, it includes a feedmill and a rendering plant.

Under the brand name Farrouj (chicken) Al-Asiah (a local wadi), the farm will produce 6 million birds and eggs per year. The chickens will be sold at SR6-7 for the one-kilogram size. Most of the birds will be chilled to -4 degrees centigrade, and a few will be deep frozen to -20 degrees centigrade, with a shelf life of one week and three months, respectively. The ACLD has investigated the possibility of producing its own parent stock, which presently is being imported from Europe, in accord with instructions from the Gulf Cooperation Council's agriculture section. ACLD found that the problems with such an undertaking include the length of time involved to develop a complete stock (it has taken up to 30 years in Europe), and whether there is really a need for such a development. Would there be sufficient demand in the Middle East for the vast number of birds that would be produced by this very pure breeding stock?

Shamsan claims that the main market for imports is the contractors,

but that is not reflected by supermarket sales, where Doux and Tilley from France and Sadia from Brazil are the best-selling brands by far. Imports bring around \$1,100 per ton wholesale, with a 5 percent mark-up for the importer and a 14 percent mark-up for the retailer, according to Abdullah Binzagr of Jeddah's Sarawat supermarket. The imports range from SR5-7 per kilo bird, although in December 1982, there was a price war, with imported birds selling at SR3.90. Many wholesalers, such as Jeddah Cold Stores, would like an exclusive brand in the same way that Abbar and Zainy monopolize "Sadia" from Brazil. To keep a reasonable price for home products once they are getting the lion's share of the market, Shamsan suggests allowing exports of chickens and eggs, although this presently is prohibited by law.

There is one type of bird that is not easy to sell. It is the spent-egg layers and the parent breeders, which are too tough. Contractors of immigrant labor have offered Watania SR2.5 per bird, but Watania prefers to destroy the birds, since selling them would harm its reputation and provide cut-price competition. Eventually, Watania will build a plant to process hen meat and a plant to deal with cracked and surplus first-quality eggs.

The problem with chilled birds is that although shops in the Kingdom are well supplied with freezers, there are few facilities for storing chilled birds. Over the next five years, there will have to be marketing developments to match the growing preference for chilled chickens. In January, the annual report of the Ministry of Agriculture showed production

of 79,881,549 chickens, representing 29 percent of total consumption. Presently, there are approximately 400 poultry farms, 12 feedmills, and 15 processing plants in Saudi Arabia, producing 1.2 billion eggs and 45,000 tons of broiler meat (roasting chickens) annually.

Imported frozen chickens have caused the market to begin accepting previously unacceptable frozen chickens, but the Saudi population still prefers fresh chickens. The old-fashioned grilled poultry has been replaced by roasted chicken, and the popular broast and barbecued chickens also have affected tastes. Since there is a maximum nine months time allowed in cold stores (in contrast to the previous 2-year period), places caught with too many chickens often sell them at a cheaper price to supermarkets. Overall, the European industry has been prominent in the growth of the Saudi poultry industry, supplying eggs, chicks, equipment and managerial expertise.

Feed, spare parts and machinery will continue to be purchased from Europe and other countries, but local plastic companies will supply chicken trays and plastic bags. The Veterinary Vaccine Industry already has started production of Newcastle disease vaccines in its Riyadh laboratories, and it is hoped that all poultry-related medicines, vaccines and disinfectants soon will be produced and manufactured in the Kingdom. The side industries of bags, cartons and egg trays will continue to be developed locally. ◇

PROGRESS IN METHANOL PRODUCTION VIEWED

Jiddah SAUDI BUSINESS & ARAB ECONOMIC REPORT in English No 5, 21 May 83 pp 24-31

[Article by Shahid Orakzai]

[Text]

Fire boats sprayed the harbor with their water cannons as a sign of festivity, while the red and black Japanese tanker blew departure whistles. A jubilant farewell crowd, led by Ministers Dr. Ghazi Algosaibi and Dr. Hisham Nazer, cheered the waving captain as the vessel slowly sailed into the Gulf from King Fahd Industrial Port of Jubail.

The Kingdom's long journey of marketing its valuable petrochemicals had begun. The tanker was carrying 33,000 tons of methanol, the first shipment processed by the Saudi Methanol Co. (named Al-Razi, after the renowned Muslim scholar). But the ceremony at the methanol terminal of King Fahd Port proved to be a three-in-one celebration. For the new tanker, **Kohzan Maru** (especially built for methanol), it was her first consignment; for King Fahd Industrial Port, it was its maiden shipment; and for Saudi Methanol Co., it represents the

first step into the international methanol market.

Al-Razi, the first methanol plant in the Middle East, is an entanglement of silver pipes and chimneys. It was switched on Feb. 2 and achieved its design capacity of 1,800 metric tons of methanol per day on March 20. The company is a 50-50 joint venture between SABIC and a consortium of 12 Japanese firms, led by Mitsubishi Gas Chemical Co., known as Japan Saudi Methanol Co.

Still in a hot commissioning period, the plant has an annual methanol production capacity of 600,000 tons. Saudi Arabia will further strengthen its grip on the world methanol market when a second plant, the National Methanol Co., goes on stream by the end of 1984.

Al-Razi Executive Vice President Abdul Aziz Al-Turki feels that the global methanol market has a lot of promise for countries like Saudi Arabia. The fast evolution of technology is likely to force a shutdown of some outdated methanol plants in the United States and Europe, whose feasibility is being questioned in light of high operation and maintenance costs. He predicted that methanol pro-

duction in the Kingdom will take their place. "We could easily increase to 6,000 tons per day," Al-Turki said.

The diversified uses of methanol have multiplied the demand in recent years and created a stable market. Current prices in the United States range between \$160 and \$170 a ton, while European prices fluctuate between \$190 and \$200. The price factor depends a lot on "quality and quantity of the product and the location of the consumer," according to Al-Turki. Small quantities may fetch good prices at times, while big quantities may show poor returns at others.

Methanol requires good chemical storage facilities. Ports with inadequate storage have to receive smaller quantities and pay a high freight rate. The marketing of methanol, according to Al-Turki, normally involves reshipment from major ports like Rotterdam in Europe, because some ports cannot accommodate the big tankers. On the other hand, while the small vessels have better access to ports, they also have higher freight rates.

But Al-Razi does not worry about marketing. Mitsubishi is committed to purchase 50 percent of the product under the memorandum of association signed in November 1979. Al-Turki stated, "Our first shipment was to Japan and our partners (Mitsubishi), being the main methanol producers for Japan, have no problems in finding customers."

The other 50 percent, 300,000 tons per annum, will be jointly marketed by SABIC and Mitsubishi, with SABIC focusing on markets in the United States, Canada and Europe and Mitsubishi focusing on Southeast Asian countries. "Both of them will sell to their respective areas and will not interfere with each other," according to Al-Turki. He disclosed that SABIC is expecting to receive its first shipment in May for onward delivery in Europe, and that commitments were being finalized at the SABIC headquarters in Riyadh.

Al-Razi has a total storage capacity of 140,000 tons, with a 100,000-ton storage tank located at the plant site and a 40,000-ton storage tank located at the industrial port. The two storage tanks are connected by a 17-kilometer pipeline laid by Al-Razi at its own expense. "During normal production levels, we expect four shipments every two months," Al-Turki stated. He believes that big and medium shipments would suit the company and its customers.

Al-Razi's methanol prices are presently governed by prevailing Rotterdam prices, because so far, it is the only producer in the Arabian Gulf. But with the commissioning of two additional plants in Saudi Arabia and Bahrain by Gulf Petrochemical Industries Co. (GPIC), a Gulf price structure for methanol is bound to develop.

Methanol is a capital-intensive downstream venture. Al-Razi has a total capital of SR860 million and a paid-up capital of SR259 million.

Training of Saudi manpower is an outstanding feature of SABIC petrochemical projects. In the case of Al-Razi, it took priority over the construction of the plant. "We sent our engineers to work with our partners and to participate in the design and engineering of our plant long before the signing of the joint venture," said Al-Turki. He said that 70 technicians and 20 engineers and members of the administrative staff received six months to one year of training in Japan. "Besides them, we also

hired some experienced Saudi technical help," he said, adding that the present strength of the staff (approximately 160) was still below the 180 that will be needed during normal operations. Al-Razi also has permanent Japanese employees, but a large number of Japanese who came to supervise the start-up are now packing to return home.

Al-Turki is pleased with the performance of the team in command of the control room. It is necessary for such a team to monitor the operations of the plant's minutest details. Methanol plants operate under extremely high pressure. Extra sensitivity and caution are stressed at the Al-Razi plant. At some points, even the use of a camera flash is forbidden. Maintenance squads carry sensitive electronic equipment to keep track of possible leakage and undertake any necessary repairs. Al-Razi even has a special safety department. According to Al-Turki, "We have a very good record of safety."

The Saudi Methanol Co. receives its raw material in the form of methane from Petromin, with Aramco as the operating company. The methane from the Berri gas gathering system is already de-sulfurized, but Al-Razi does a double check on the sulfur content. "In case of a higher sulfur content in the raw material, we route it through our sulfur separation plant. This check (on sulfur content) is conducted every hour," Al-Turki explained.

The plant has four sections. In the reforming sections, methane is mixed with steam and passed to the compression section. Here, the required high pressure is attained and the product is channeled to the synthesis section which produces the crude methanol (yellowish in color, with a bit of a gasoline smell). In the fourth, or distillation section, the crude methanol is processed into chemical grade methanol.

In all, there are a half dozen processes for methanol production, but the British technology of ICI is the most popular. ICI also claims credit for some

of the world's biggest plants. With a daily production capacity of 2,000 tons and two new plants currently under construction in the Soviet Union, ICI handles a daily production of 2,500 tons of methanol. The National Methanol Co. (Ibn Sina), as well as the GPIC plant in Bahrain, have licensed ICI technology. Lurgi of Germany is rated second, while Mitsubishi, licensor for Al-Razi, ranks third in order of use. "However, in Mitsubishi's technology, our plant is the biggest in the world," according to Al-Turki, who adds that two plants in Japan have a daily capacity of 600 tons each.

With the construction contract signed in April 1980, site preparation was begun almost immediately by the contractors, who are also a subsidiary of Mitsubishi Corp. Assembly is a better word to describe the actual mechanical erection of the facility, since the complete plant was shipped in seven installations. The first module arrived at Jubail Industrial Port in December 1981, and the last module was delivered in May 1982. It was a gigantic task to carry some of the modules to the site, which is located 15 km from the port. A huge computerized trolley with 600 wheels transported the factory-assembled pieces. The construction was completed in January 1983 and commissioning began on Feb. 2. Al-Turki expects the handing over by mid-summer after a formal five-day non-stop test. After an initial run, the plant was shut down for necessary adjustments and modifications. But since then, the plant has had very little trouble. The shut-down period for a methanol plant means an average suspension of only 24 hours.

The facilities extended by the Royal Commission for Jubail and Yanbu are a valuable asset to all the industries. But Al-Turki said the facility at the industrial port, with a special terminal and storage for methanol, was the most important among the Royal Commission's supports. Al-Razi, like some of its neighbors in the Jubail Industrial City,

has sea water channel for cooling, electricity from the Saudi Consolidated Electricity Co. (SCECO) and staff housing.

Al-Turki said it would be difficult to compare production costs with those of competitors at this stage, but he said they were "fair." Besides exports, the company also has received signals from domestic markets. Inquiries have been received from Aramco, which intends to use methanol as a solvent, and from a contractor in Jubail, which would need between 5,000 to 7,000 tons of the chemical per year for cleaning and flushing. Some of the product might also go to refineries and universities, and although it would not be in commercial quantities, Al-Turki says it would "at least take our name around the country and to customers in the Gulf." ◇

CSO: 4400/358

WATER SITUATION EXAMINED

Jiddah SAUDI BUSINESS & ARAB ECONOMIC REPORT in English No 5, 21 May 83 pp 38, 39

[Article by Devadas Kini]

[Text] "Water, not oil, is our most valuable resource," according to Saudi Arabia's Minister of Agriculture and Water Dr. Abdul Rahman Al-Sheikh. The statement sums up the water situation in the Kingdom, which has only scanty rains and no perennial rivers. The average rainfall is 120 millimeters per year, but surveys conducted since 1970 reveal that half the land in the Kingdom (1.25 million square kilometers) has vast amounts of underground water with which "a century of irrigation can be sustained on approximately a quarter of a million hectares of land."

The Kingdom has implemented various projects to increase the availability of water. Twenty-two desalination projects have been constructed, producing approximately 393 million gallons of water per day. Approximately 40 million cubic meters of wastewater is treated annually for agricultural purposes, and 250 million cubic meters of water are provided by dams annually.

The Ministry of Agriculture and Water has divided the Kingdom into five water resource regions on the basis of the availability of ground water, aquifer characteristics, existing and planned regional developments and the distinct hydrological conditions. The ministry also has projected the availabil-

ity and utilization of water through the year 2000. (See chart.)

Professors Mustafa A. Okail and Taher Hussein of the University of Petroleum and Minerals reported that "evaluation of these alternatives shows that the Western Region is the most critical region where the future water demands are expected to be high "

To meet the critical needs of the Western Region, Okail and Hussein feel that expansion of the desalination program is the most feasible source of water supply. Reclaimed water from urban wastewaters is also a potential source for agricultural and industrial needs. The treated water is expected to add 15 percent to the Kingdom's known conventional water sources, and desalination is expected to add 25 percent. The Central and Northern Regions, with large ground water reserves, can supply water to more than 40 percent of the Kingdom's projected irrigated areas for the next 20 years.

Mustapha Noori, director-general of the Water Resources Development Department, said that 90 percent of the Kingdom's needs are met by ground and surface water. The Ministry of Agriculture reported May 2 that over the past two years, 78 major dams, with a combined capacity of more than 327.6 mil-

Projected Water Balance and Utilization in the Kingdom through 2000

NATIONAL WATER BALANCE (Million Cubic Meters per Year)

	1980	1985	1990	2000
Water resources				
Non-renewable	3450	3450	3450	3450
Renewable	1145	1145	1145	1145
Desalination	63	605	794	1198
Reclaim from urban waste water	—	140	335	730
Total resources	4658	5340	5724	6523

PROJECTED WATER UTILIZATION (Million Cubic Meters per Year)

	1980	1985	1990	2000
Urban & industrial	502	823	1211	2279
Rural & livestock watering	27	28	31	38
Irrigated agriculture	1832	1873	2345	3220
Surplus (deficit)	2247	2616	2137	986
Total utilization	4658	5340	5724	6523

PROJECTED USE OF WATER (Percent)

Sector/year	1982	1990	2000
Domestic use	5.9	20	21.8
Agricultural use	93.4	77.5	73.9
Industrial use	0.5	1.5	2.7
Beautification and recreational purposes	0.14	1.5	1.6

lion cubic meters, have been built in the Kingdom at a cost of SR1.6 billion. Sixteen of the dams are still under construction. In addition, 96 small dams have been built in various parts of the country.

There are nine principal aquifers and five secondary aquifers in the Kingdom. Noori said there are "sufficient

water resources for our socio-economic development," although there are no precise figures available regarding total water resources because they are still under investigation. By the year 2000, more than 20 percent of all water will be used in homes and approximately 60 percent can be reused after treatment for industrial or agricultural purposes. ◇

AIRPORT EXPANSION PROJECTS TO BE RETENDERED

Jiddah SAUDI BUSINESS & ARAB ECONOMIC REPORT in English No 6, 28 May 83 p 9

[Article by Philip Shehadi]

[Text] The Presidency of Civil Aviation (PCA) will be retendering all but one of its domestic airport expansion projects that were originally tendered last year, according to Eng. Abdul Hamid Al-Uyouni, assistant director of airport construction at PCA. It is believed to be the first case of a retendering prompted by King Fahd's recent decree that all government tenders must be announced publicly. The retendering, to be carried out in stages beginning in July, will also give PCA additional flexibility in awarding and implementing contracts in order to economize expenditures. PCA's total budget dropped from SR10.57 billion in 1982-83 to SR7.81 million this year.

The projects concern 11 domestic airports that will be upgraded to handle increased passenger traffic (see *Saudi Business*, Oct. 16-22 and Oct. 23-29, 1982). At five airports (Madinah, Qasim, Jizan, Abha and Tabouk) the expansion is designed to accommodate wide-body (TriStar and Airbus) jets; at the other, rural airports, the projects will enable them to receive Boeing 737 aircraft instead of Fokker F28s.

A separate project that had been tendered last year, construction of a temporary international passenger terminal at Dhahran International Airport, has been canceled. Al-Uyouni explained that the facility was considered unnecessary in view of plans for a complete new interna-

tional airport serving the Eastern Province.

The scope of the expansion projects will not change, said Al-Uyouni, although the construction schedules may be stretched over a longer period of time. But contractors will be asked to submit their bids in two parts — one for the "land" work, namely all buildings and associated utilities, and the other for "air" work, namely runways, aprons, taxiways and related installations such as airfield lighting. This would enable PCA to select one contractor for the building work on a given airport and another for the runway work. It would also allow PCA to let only part of a project — the runway package, for example — in a given year.

Al-Uyouni explained that many of last year's bids were over budget, and suggested it was partly because building specialists were giving inflated prices for runway work that would have to be subcontracted, and paving contractors were doing likewise with construction jobs. The new two-tier tenders will eliminate the extra charges, he said.

The PCA projects budget this year is SR4.89 billion. The largest single allotments have been made for the Madinah and Qasim projects, with SR400 million for both, slightly less than lowest bids received last year from Jeddah's Omar Al-Esayi Co. for Madinah (SR260 million) and Riyadh's Midmac Contracting

for Qasim (SR150 million).

For Jizan and Abha expansion projects, the budget allocates roughly SR200 million. Al-Uyouni said that the Abha project, for which Al-Mabani General Contractors of Jeddah is the low bidder with SR86 million, will not have to be retendered. Al-Mabani has received a letter of intent, but formal signing is awaiting approval from the Ministry of Defense and Aviation. In Jizan, a project that includes special facilities for charter flights carrying teachers to the region is due to be retendered this summer. Low bidder had been the Saudi-Turkish joint venture Rio-Cevahir, with roughly SR110 million.

The so-called "Tapline" airports, located at Ratha, Turaif and Qaisoumah along the Trans-Arabian Pipeline route in the north, have been allocated SR334 million along with another airport at Qurayat, also in the north. These airports are due to get widened runways and aprons and new sets of terminal facilities to handle Boeing 737s. One other rural airport got funds this year — at Sharourah, in the southwest. Roughly SR100 million-SR110 million has been earmarked for major runway expansion work plus terminal, maintenance, cargo and fire and rescue buildings designed by the Lebanese firm Khatib & Alami. A tender call had been originally planned late last year.

In Sulayel, also in the southwest, a new airport has been designed and is ready for

tendering. But no funds have been allotted this year.

No definite tender dates have been set for the projects. But Al-Uyouni said they would be staggered starting in July and ending in December or January.

The biggest of all the airport expansions, a project for which designs were completed last month, is planned for Tabouk. Netherlands Airports Consultants, which has designed most of the Kingdom's domestic airports, has detailed projects worth an estimated SR350 million that will make Tabouk "one of the biggest domestic airports," says Al-Uyouni. Construction includes a terminal building with air bridge links to waiting planes, a mosque, royal pavilion, two maintenance buildings and bachelor accommodations for PCA staff. The expansion will enable the airport to handle up to 1 million passengers annually by the year 2000. Tenders for Tabouk may be called early next year, although the cost will be spread over more than one year's budget.

One other project is in progress this year — a hangar for PCA inspection aircraft at Jeddah's King Abdul Aziz International Airport. The roughly SR40 million project will be tendered later this year.

Al-Uyouni stressed that all tender announcements will be made public in line with the recent royal decree. This is in contrast to previous practice whereby only a select group of firms were invited to bid on PCA projects.

NEW CONTRACT TO PROTECT SAUDI TRADING PARTNER

Jiddah SAUDI BUSINESS & ARAB ECONOMIC REPORT No 6 in English 28 May 83 p 15

[Article by Javid Hassan]

[Text]

The Commerce Ministry has released a format of model contracts as a guide for Saudi Arabian agents and distributors. The models, meant to safeguard the interests of both the Saudis and their foreign trading partners or companies, will be mandatory, although both parties will have the option to add fresh provisions within the framework of the Kingdom's rules and regulations, Deputy Minister of Commerce Abdul Rahman Al-Zamel told *Saudi Business*.

The new model, he said, will replace the older version which failed to protect the Saudis against arbitrary termination of their contracts with foreign companies. "During the last three years, we have noticed that there have been many termination of contracts by foreign companies with no justification. All this happened because a middleman, who represents a company, would enter into a deal at the expense of the Saudi partner. In one case, it was reported that a foreign national collected \$600,000 just to help someone get an agency."

Such malpractices, according to Al-Zamel, ruin the market and instill a sense of insecurity among the Saudis. "After working hard for three or four years, suddenly the Saudi agent finds his contract terminated in an arbitrary manner." Because of this climate of uncertainty, the deputy minister pointed out, some new provisions have been added to the previous model.

According to Item 12 of the new model contract, which deals with the

abrogation of contracts, "the commercial or distributing agent may request compensation for any losses as a result of the failure of the client to honor his obligations as per the contract or as dictated by the trading code." Under another provision, he said, the agent may request a fair compensation for his activities that have contributed to the success of the agency's work in gaining customers and distributing and popularizing a product.

Among other safeguards in the model contract, Item 14 states that "the client may request compensation from the agent in exchange for any losses incurred in case the agent has renounced the agency in an unsuitable time or has violated the provisions of the agency contract." Compensation is also provided for in Item 15 of the model. According to it, "If this contract is terminated or abrogated in an unsuitable time, and if this has caused any of the two parties any loss, the party that has caused the loss shall be bound to compensate the other party for the losses incurred, taking into consideration the effort made and the material and immaterial means made available for serving the agency prior to its abrogation."

An important provision in the new model relates to commercial disputes. Under Item 16 of the model, any disputes arising from the execution of the contract should be amicable settled between the parties concerned. If the disputed is not settled, the Commercial Dispute Settlement Committee or a local board of arbitration shall handle the dispute. Al-Zamel

said that the new arbitration system, introduced two weeks ago, has been endorsed by the Council of Ministers. Under this system, when the arbitration committee passes a judgement two to one, it acquires a binding power like a court judgement, unlike before.

Another important feature of the model contract, according to Al-Zamel, is that during the process of arbitration, no agency for that particular product will be registered at the ministry, unless the arbitration committee or the old client approves the change of agency. "We have to have a judgement to show that the dispute has been settled.

Al-Zamel clarified that the safeguards for the Saudi agents will not prevent the foreign partner from obtaining redress of his grievances. His decision to switch a partner will not be called into question if he proves before the arbitration committee that the Saudi agent did not abide by the provisions of the contract or honor his commitments.

In a final statement, the deputy minister said that in laying down the new model contracts, the ministry is trying to protect the interests of both the Saudi and the foreign partners. "We never look at protecting the Saudis more than the foreign parties. And we will never protect the foreigners more than the Saudis. "We feel that both sides are equal partners in this business world," he said, adding, "We will never accept a bad Saudi. That kind of a Saudi must get out of the market. At the same time, we will never accept a sloppy foreign company, or accept an unacceptable behavior by a foreign company or their representatives. We are after professionalism in this business world. So both must understand that the Ministry of Commerce is watching them very seriously now."

OPPOSITION LEADER INTERVIEWED BY ISRAELI JOURNALIST

TA120940 Tel Aviv DAVAR in Hebrew 12 Jun 83 p 7

[Report by Yosef Alpern on an interview with an unnamed Syrian--Geneva, date not given]

[Text] I met my interlocutor in a hotel in Geneva, 2 hours after he had surprised me with a phone call.

"I am a Syrian political exile who would like to speak with you. I have been told that you are a correspondent for the Israeli opposition paper. I would like to remain anonymous and tomorrow I will already have left Switzerland," he told me in English. He said that he had completed his legal studies in Damascus University several years previously, was one of the leaders of the Syrian Liberation Party and had left his country secretly 2 years ago.

During our conversation I formed the impression that what he had to say was serious and considered. It is difficult to evaluate exactly what is the genuine strength of his group. However, it seems to me that his views do at least reflect the moods of a section of the Syrian population, whatever its size.

I told the man that I had never heard of his party and asked him to tell me about it.

Answer: The Syrian Liberation Party was established in 1979. It is definitely an opposition party with a liberal socioeconomic orientation, working underground. Our members work only in Syria in order to preserve our nondependence on other Arab regimes.

Question: From what social classes are your members recruited and how many are there?

Answer: Everyone wants to know who our members are...the Saudi Arabians, the Moroccans and the Americans. I would say that 70 percent of them are from the upper class and highly educated, but we also have members in the army. They are all Sunnites and Christians and there are some 5,000 of them.

Question: What is the party's political platform?

Answer: First of all, to overthrow the current regime and establish a pluralistic [last word in English] political regime. Everybody has had enough of al-Asad's pseudosocialist military dictatorship after more than a decade.

Question: What about foreign policy and the attitude toward Israel?

Answer: We want to put an end to the enslavement to the Soviet Union, but we do not want to replace the Russians with the Americans. Syria should simply turn into a genuinely independent country. As for Israel, I will be sincere: In the past I thought that Israel and Russia were our main enemies... the change, for me and my colleagues, began after al-Sadat's visit to Jerusalem. We began to think about the psychological block he spoke about and we reached the conclusion that it could also be broken between Syria and Israel. This would mean direct negotiations and an end to the conflict which is being taken advantage of by the superpowers. The Moroccan king's remarks also made an impression on us. We thought as he did about the common roots of Jews and Arabs. Israel should not rely only on the Americans. Its future is in our area and, as they say, a close neighbor is better than a faroff brother....

Question: So far you have not mentioned the Palestinian problem.

Answer: We have no "Palestinian clause" in the platform. We think the Palestinians should receive citizenship everywhere and fit in.

Question: But the PLO also exists?

Answer: I do not believe in salvation from the outside for the Palestinians, or in the efficiency of terrorist methods. The Palestinian leaders in the territories should have fitted in with the Camp David talks.

Question: What do you think about the war in Lebanon?

Answer: First of all, you should know that, in my opinion, the Syrian Army there is also a foreign army. Secondly, I was against the bombing of the civilian population ordered by Sharon. Thirdly, I was impressed by the great demonstration in Israel after the Sabra and Shatila events. Many Arabs have heard of the Peace Now Movement, despite the fact that the Arab regimes have tried to belittle its importance. Finally, when I saw the demonstration in Tel Aviv, I asked myself when people would be able to demonstrate like that in Damascus, too....

Question: Let us return to the political situation in your country. You would certainly agree that the main opposition force in the Muslim Brotherhood. [sentence as printed] They were also responsible for the revolt that broke out in Hamah a year ago. There are people in Israel who think that their victory would create a worse option, perhaps, than al-Asad's regime. And, in general, could what happened in Iran to Bazargan (who was driven out by the Khomeynists after the overthrow of the Shah) not also happen to you?

Answer: I understand Israel's fears. But I have also met with Syrian Muslim brothers who do not really oppose Israel's existence. We have tried to influence them in this direction.... I am sure that they would speak differently if they were in power. How can they be worse than al-Asad, who is extremist and is now al-Qadhdhafi's ally? We are taking a chance on the Syrian Muslim brotherhood's intentions and perhaps Israel should also take the same chance.

Question: Why do you want relations with the opposition in Israel? Do you not think that the Syrian authorities will immediately say you are traitors?

Answer: I will answer both your questions, starting with the last: We are not afraid of the name "traitor" because we are genuine nationalists, not connected with Russian and nor do we intend, when the time comes, to give up Syrian territory. We simply believe that a political arrangement can be found regarding the Golan Heights. And this ties in with your other question. Why we are appealing to the opposition in Israel? Could we make any connection with the Government of Israel that legislated the Golan Heights law without being considered traitors?

Question: Is there anything you are going to do that can be disclosed?

Answer: Yes, if we obtain financial backing, we want to publish an opposition journal in Arabic in one of the Western European capitals.

CSO: 4400/379

MINISTRY OF AGRICULTURE UNDERSECRETARY INTERVIEWED

East Burnham ARABIA THE ISLAMIC WORLD REVIEW No 21, May 83 p 53

[Interview with Sheikh Hamad Abdullah Salman, under-secretary of the UAE Agriculture Ministry; date and place not given]

[Text]  Does the UAE's agricultural experience provide any lessons for other countries in the region?

The UAE is located in an area of dry climate and little rain. In addition, agricultural land is limited and water is dear. The Emirates do not differ, in this respect, from other states of the region, especially the oil member states of the Gulf Cooperation Council.

Oil wealth has affected various activities. Among the features of its influence are emigration from villages to cities and abandonment of the old occupations like farming and fishing. This was caused by the expansion in government and its need for service cadres, which has provided easier work for the farmer and fishermen. The state services have attracted a large portion of the educated, and this has led people to leave farming.

We tried our best to define our objectives. We asked ourselves: what do we want? The answers are:

- To keep the farmer on his land;
- To keep the fisherman with his boat;
- To encourage local agricultural production and increase the green spaces;
- To give assistance to all those who wish to farm, whether they were originally farmers or newcomers.

The main target was to reach some kind of self-sufficiency. This concept leads us to the idea of "food security" which is a dear hope that occupies our thinking as member states of the Cooperation Council. It is dear because food security has become associated with political security. Food security is also the backbone of "economic" security, on which free-will is based. States cannot have political decision-making power while unable to secure their food.

Planning and organisation are the two important factors for any work to be successful. What have you done in this respect to achieve these important "hopes"?

We approached the concerned departments of the state to elicit suitable decisions which encourage agriculture. This we did in order to work with systems which contribute to our agricultural needs. We believe that the role of agriculture is governed by research and experiments. Therefore, we attempted to apply irrigation systems which are convenient to this region where the temperature is high, the climate dry, water is dear and where we depend on ground water.

We concentrated on agricultural experiments. We developed new products which suit the nature of the region and which resist and cope with agricultural diseases. From our previous experiments, it has been proved that irrigation by conventional methods was wasting large quantities of badly-needed water. Added to this was the fact that inundating plantations with water was harmful and counter-productive, contrary to the belief of the conventional farmer. We have been able, from our irrigation experiments, to attain the following results:

- Drip irrigation saves between 60 and 70 per cent of the water used in the conventional way;
- It saves more than 50 per cent of manpower – we have been suffering from manpower problems;
- It increases per-dunam production by 50 per cent more than conventional production methods.

When the economic viability of this type of irrigation was proved, we adopted and submitted it to the Ministers' Council, which approved it. Now, we are in the process of implementing a project which costs more than

UAE dirham 200m (\$54m) to introduce the new methods of irrigation to the farmers. There is also irrigation "by fountains" which is used to water fruits. This type has produced much the same saving as "spray" irrigation.

We consume large quantities of ground water. The reason for this waste is the continuation of random drilling or exploitation by unprofitable ways, and lack of control over irrigation and its conditions. Most of the water consumed is in agriculture, which takes 400m cubic metres of water. These are enormous quantities, some of which cannot be used and is lost to the sea because of lack of dams: we estimate about 60m cubic metres. Cities and industries consume about 100m cubic metres.

Therefore, we have a loss of water of about 350m cubic metres. Though this was a dilemma, we did not stand idle. We started putting into effect solutions which include the following:

- Construction of dams at the water falls for purposes of conservation. Four dams were built. These saved 10m cubic metres. A study made on the construction of further dams concluded that it was possible to build 22 more dams which would save 100m cubic metres;
- According to previous studies and field applications, it was proved that modern methods of irrigation would save 50 per cent of the consumed water;
- We encourage main cities, located on shores such as the Gulf and the Oman Gulf to depend on desalination;
- There has been a trend to use drainage water, after treatment, in irrigating the green area and town parks, which consume great quantities of water needed for other purposes in the country.

Crowning all this, an establishment called "The Public Corporation for Water Resources" was founded. The establishment, which is taking shape now, will take care of the

laws and suggestions which will increase the use of ground water, and put an end to the haphazard depletion of water, which is going on now.

As we know, these projects could not be achieved overnight. It is said that: "A million-mile march starts by a step" and in this respect we believe that through this planning we are on the right path. We shall see the day when our water resources will suffice to meet our agricultural needs.

Does agriculture in the UAE depend on the government (public) sector or the private sector?

On both. However, large projects are completed under the supervision of the state. There are government projects, mostly in Abu Dhabi, such as Al Sadiyyat Island project, which was established in collaboration with the US University of Arizona. This project for an ideal farm in greenhouses was transferred to the ministry of agriculture in terms of supervision and field work. It is considered as an attempt to cultivate in barren lands because the land on which the farm has been built is barren, with plants not getting food from any of its components. The only benefit is the firm-rooting of the plant stem. The nutritive components which the plant needs come mixed with water in the drip irrigation system.

In this experimental farm, we are faced by the problem of calcareous land. This led to the formation of a rocky surface as a result of interaction between land and nutrition coming by way of dripping. However, this difficulty was overcome.

There was also the Al Mazid project which came into being through collaboration with the French Oil Company. This project produces vegetables and plantations that can be grown in greenhouses. In addition, there is a national governmental company in Al Ayn which also produces greenhouse vegetables.

UNITED ARAB EMIRATES

BRIEFS

NEW OIL CONCESSION GRANTED--Dubayy, 2 Jun (QNA)--It was announced here today that Shaykh Rashid ibn Sa'id al-Maktum, AUE vice president, prime minister and ruler of Dubai, has granted a new petroleum concession to the (Adolf Longen) group of companies for petroleum exploration in an area of 20,000 acres, part of which is located in dry regions and the other part in regions covered with water. In the concession there will also be an initial exploration for a general survey in an area of 300 sq kms and not less than four wells during 3 years. [Doha QNA in Arabic 1050 GMT 2 Jun 83]

BUDGET DEFICIT--The biannual economic report of the AUE central bank stated that DH19.254 billion were spent during 1982, while income during the same year amounted to DH16.49 billion, resulting in a deficit of DH2.3 billion. [Summary] [GF111344 Dubayy AL-BAYAN in Arabic 9 Jun 83 p 1]

CSO: 4400/377

YEMEN ARAB REPUBLIC

BRIEFS

BALANCE OF PAYMENTS DEFICIT--San'a', 4 Jun (QNA)—The YAR balance of payments during the month of February made a deficit of YR 135.5 million as a result of the rise in the amount of imports. This was stated in a report issued by the YAR Central Bank. [Doha QNA in Arabic 1100 GMT 4 Jun 83]

CSO: 4400/370

TABRIZ RADIO RIDICULES SADDAM'S CEASE-FIRE CALL

GF151510 Tabriz Domestic Service in Armenian 1730 GMT 13 Jun 83

[Excerpts] Precious friends, the imposed wars by the international imperialists on the oppressed peoples of the world have unique characteristics. These military encroachments are carried out with the extermination of towns and villages and the mass killings of helpless people. Along with this, international propaganda is carried out in the interest of the evil sides and to the disadvantage of the innocent.

This method of aggression is not a characteristic of the Zionists only but the regime which usurped Palestine excels in it. Those regimes who are under the influence of the Zionists are doing the same thing with their military aggression. The best example is the Zionist Ba'thist regime of Iraq. The experiences gained from the wars of transgression have shown that when the aggressor regime loses in its initial momentum or is no longer able to realize its aims, after resorting to all kinds of (?tricks) it attempts to obtain the intervention of foreigners--those forces which are under the international imperialists. To profit from those experiences, which inflicted wounds on thousands of Muslim youths, is the obligation of each revolutionary.

The Islamic Republic of Iran is the first Islamic country which, using the imposed war as an example, despite all the difficulties on its path resists the superpowers and has been able to achieve good results from these difficulties.

After being defeated on the battlefields, the Zionist Ba'thist regime of Iraq has veiled its warmonger nature and is faking a peaceloving attitude in order to survive its inevitable fall. The traitor Saddam has often displayed this attitude toward the Islamic world and the international imperialist and Zionist media have promoted Saddam's peaceloving nature.

However, the Islamic revolutionary people of Iran have responded decisively and suspended all conspiracies. It was for this same purpose that Saddam proposed a cease-fire on the battlefield during Ramadan.

As long as Saddam does not accept Iran's legal conditions, that is, to stop the transgressions without delay and compensate for the war losses, then the

Islamic Republic of Iran will continue this war with all its means until the final victory. There is no other way except this and this is in the interests of all the peoples of Iran, Iraq and the Middle East. Only with these conditions can a stable peace be achieved and in order to achieve such a peace the Islamic Republic of Iran must struggle with all its might far from all political games, conspiratorial propaganda and political pressures.

Experience has shown that only under these conditions can peace be achieved in the Middle East and there is no doubt that the oppressed peoples approve this decision of the Islamic Republic of Iran.

CSO: 4605/79

DELEGATION DISPATCHED TO KURDISTAN TO 'SOLVE PROBLEMS'

Tehran KEYHAN in Persian 2 Jun 83 p 18

[Text] Sanandaj, KEYHAN Correspondent: Three ministers were appointed to solve the problems of Kurdistan Province. According to a report by our KEYHAN correspondent, yesterday, a high ranking delegation of the government of the Islamic Republic of Iran arrived in Kurdistan to study the problems and difficulties of the Province and attempt to alleviate them. Brother Asgharnia, the governor general of Kurdistan, said in an interview concerning the visit of the delegation to the Kurdistan Province:

Greetings to the pure spirit of the martyrs, the Muslim people of Kurdistan, the brave warriors of the Guards Corps and the Army and the Kurdish Muslim fighters. As you know, following the cowardly attack of the Ba'thist army of Iraq, which brought great disrepute upon the Ba'thist regime of Iraq, every week, we have had some of the brothers of the government Cabinet as guests. He added: In addition, three ministers have been appointed by the government for every area in order to pursue the particular problems of that Province. In this connection, three ministers, Brother Nabavi, the minister of heavy industries; Brother Nezhad-Hoseynian, the minister of roads and transport; and Brother Aqazadeh, the minister without portfolio, have been selected to study the affairs of Kurdistan and have traveled to this region.

The governor general of Kurdistan added: The government Delegation is most beneficial and has come to the region with more resources because at the present time, the budget of the Province has more than doubled. If we are to make use of it, we must have more technical resources, machinery and personnel at our disposal. In conclusion, he said: The above-mentioned delegation has visited in different groups the areas of Marivan, Baneh, Kamyaran and other areas in which there have been accomplishments or which require work.

We wish success for the people of the cities and villages of Kurdistan who have witnessed these efforts and have themselves

borne arms to purge the areas of the filth of the counterrevolutionaries.

According to the report of the KEYHAN correspondent, accompanying the delegation of ministers were Colonel Sayyad-Shirazi, the commander of the ground forces; Brother Rahim Safavi, a member of the command council of the Guards Corps; and Brothers Aqa-Mohammadi, the representative of the people of Hamadan; Hatefi, the representative of the people of Qarveh; Hojjat ol-Eslam Bayat, the representative of the people of Zanjan; Molla Abdollah Suri, the representative of the people of Saqqez and Baneh to the Majlis; and a group of ministry deputies.

Another report from Marivan indicates that Behzad Nabavi, the minister of heavy industries, participated yesterday afternoon in a meeting of the administrative council of Marivan held in the presence of the Majlis representatives of Zanjan, Saqqez and Baneh, the developmental deputy of the Governor General's Office of Kurdistan, the governor and the officials of the administrative offices and revolutionary institutions of Marivan.

In this meeting, the problems of providing drinking water for the city of Marivan, cultivation, the harvest and purchase of agricultural products and the distribution of agricultural equipment and spare parts were discussed.

Also, in this meeting, the representatives of the Reconstruction Crusade announced that in order to develop agriculture, 50 qanats to be put into operation this year were dug by the Reconstruction Crusade.

According to this report, Brother Nezhad-Hoseynian, the minister of roads and transport, after visiting the office of roads of the city of Marivan, accompanied by Hojjat ol-Eslam Hatefi, the representative of the people of Qarveh to the Majlis, departed for Baneh to study the problems and difficulties of the people of that city.

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EXCHANGE OF POW'S, CONDITIONS FOR ENDING WAR REITERATED

Tehran ETTELA'AT in Persian 1 Jun 83 p 3

[Text] The deputy for economic and international affairs of the Ministry of Foreign Affairs announced in a press and radio-television conference yesterday:

The Islamic Republic of Iran is prepared to exchange about 6,800 Iraqi prisoners for all the Iranian military prisoners held by Iraq. If this proposal is accepted by Iraq, the exchange of these prisoners might take place through international channels.

He added: Iran's three conditions for ending the war are still valid and in order to attain the conditions which we have announced to end the war, we will continue this defensive war.

In this press conference which took place with the participation of domestic and foreign correspondents in the Ministry of Foreign Affairs, Mr Kazempur-Ardebili, the deputy for economic and international affairs of the Ministry of Foreign Affairs, and Dr Sa'id Raja'i-Khorasani, the permanent representative of Iran at the United Nations, responded to the questions of correspondents regarding the visit of the UN delegation to the damaged residential areas of Iran, the issue of the prisoners and the connection between the visit of the UN delegation with the peace talks.

In connection with the deceptive propaganda of the regime of Saddam, the deputy for economic and international affairs of the Ministry of Foreign Affairs said: The regime of Iraq has constantly declared its readiness to exchange prisoners captured contrary to the humane international standards in the border regions of Iran. Also, 23 young Iranians who were taken prisoner in the occupied regions have been constantly used as propaganda tools by the Ba'thist-Zionist regime of Iraq. On the surface,

Iraq has continually declared its readiness to release 126 Iranian nationals and 99 people wounded in the war who have been retained as prisoners against the Geneva conventions. Similarly, it has announced in a note that it is prepared to exchange 500 Iranian military prisoners with Iraqi prisoners of equal rank in Iran. But, despite this propaganda, it has never taken measures to implement such claims.

The Aims of the UN Experts

Then, Dr Sa'id Raja'i-Khorasani, the permanent representative of Iran to the United Nations, said in regards to the visit of the UN delegation to Iran:

This delegation came to Iran in order to witness for itself the effects and results of the war crimes of the supporters of Saddam on the civilians of our country and to prepare a documented report for the UN officials.

He added: The visit of the UN delegation to Iraq was also proposed by the Islamic Republic of Iran because Saddam has accused the Islamic soldiers of attacking civilian areas in Iraq. It had used this accusation as an excuse to attack our civilian areas and innocent people. We proposed that the international community come and witness the truth of Saddam's claims and the vast extent of the crimes he has committed against our people.

Concerning whether the UN delegation also estimated the war damages, the permanent representative of Iran to the United Nations said: This delegation did not come to Iran to decide on a price and investigate the damages. Its goal was to investigate the area in which the damages occurred and the area of the bombing. This delegation mostly tried to engage in observing the area of the bombing and the level of the damages inflicted on residential areas and to see how many people have been left under the rubble and have been lost.

Visit to "Baneh"

In regards to the simultaneous visit of the UN delegation and the latest crimes of the infidel supporters of Saddam in "Baneh," Dr Raja'i-Khorasani said: Fortunately, the delegation was able to visit the city of Baneh and since the blood of the innocent people martyred as a result of the bombing of the Ba'thist criminals had not yet dried and the bodies of the martyrs of the incident had not yet been buried, the members of the delegation saw the corpses of the martyrs, those who had been injured in the incident and the demolished houses.

Our Next Step

In regards to the next step of the Islamic Republic of Iran, Dr Raja'i-Khorasani said: Our next step is to make the international community more aware of the crimes against our civilians.

Concerning the role of the visit of the UN delegation to Iran and Iraq in the peace negotiations, Dr Raja'i-Khorasani said: Our people, with their clenched fists, have shown that they are prepared to defend their country. In connection with the visit of the UN delegation, I must say that this visit to Iran and Iraq was not intended for the purpose of preparing for the peace talks and has no connection with it.

The Level of Sincerity of the Delegation

Concerning the level of sincerity of the UN delegation in their investigations, he said:

We are not skeptical of others for no reason, until there is proof that we should be. If the results of the investigations of the delegation are contrary to the facts, then we will express pessimistic views.

Our correspondent asked: What practical effect can the results of the investigation of the UN delegation have on the war? The permanent representative of the Islamic Republic of Iran to the United Nations responded:

The report of the UN delegation must remain secret until it is presented to the United Nations. We have not been informed of its content, neither do we know what the reaction of the international community to this report will be if it is prepared truthfully. We can only express our expectations of this report and the international community.

He added: We expect the international community to act in accordance with the regulations provided in the UN charter. This will not only help resolve this problem, but it can help in similar global problems in a constructive way. In short, if the United Nations revives its legitimacy and constructiveness and gains the trust of the nations, it will be effective and beneficial in solving international problems.

He added: We are optimistic in regards to the work of the delegation, even though it has not been made public, and since we have seen nothing contrary to the truth from the delegation, there is no reason why we should prejudge them. This delegation visited all the damaged civilian areas, in particular, Dezful, Andimeshk, Poldokhtar, Dehlaran, Musian and all the areas of

Khuzestan, including Hoveyzeh, Susangerd, Sar-e Pol-e Zahab. The day that they were to travel to Iraq, the criminals of the Ba'thist regime of Iraq made of Baneh a city of dust and blood and this delegation also visited the city of Baneh and witnessed first hand the live, moving scene. We have no expectations but that what was witnessed will be written and recounted.

The Established Conditions of Iran for Ending the War

Then, concerning the future visits of mediating delegations for the continuation of the peace negotiations, Dr Kazempur-Ardebili said: We will continuously try to attain all the conditions that we have announced since the beginning of the war. The return to the pre-war borders, payment of war damages by Saddam and the punishment of the aggressor are our main conditions for ending the war. We will not deviate from any of these conditions and to achieve all these conditions which we have announced for ending the war, we will decisively continue this defensive war.

The Communique of the International Red Cross

In response to the question of our ETTELA'AT correspondent concerning the imperialist propaganda in regards to the failure of the representatives of the International Red Cross to visit a group of the Iraqi prisoners in addition to the rumor of the deaths of a number of the prisoners, the deputy for the international affairs of the Ministry of Foreign Affairs responded:

In a communique issued by the Red Cross through the mass media, reference was made to certain instances of violations of the two countries in regards to prisoners of war. This special case concerns the failure to register a number of the prisoners.

He added: More than 30,000 prisoners have been registered in Iran and about 15,000 have not been registered. Of course, the Red Cross is aware of them and the exchange of letters between them and their families. Also, in the Red Cross communique, many references were made to the captivity of Iranian civilians in the occupied region by Iraq as well as references to the bombings by Iraq of civilian areas.

In regards to the deaths of a number of the war prisoners in the camps and in connection with all the laws and regulations of the Geneva convention, in both countries, certain cases have been observed which are being investigated by medical commissions in each country under the supervision of the International Red Cross.

In any case, the Islamic Republic of Iran has always declared its commitment to all the international laws and regulations and the

conventions related to them and has also announced to the Red Cross agency in Tehran its willingness [to cooperate].

The Spirit of the People

In conclusion, concerning the spirit of the people of the war-stricken regions which were visited by the UN delegation, Dr Raja'i-Khorasani said: Wherever we went, the cries of "war, war until victory" were heard. In the behavior and the reactions of the people, two things were very evident. One was the revolutionary anger and wrath of the people and another was their strong will and determination to defend the sanctuary of their Islamic country. It must be said that the strong determination of the people lifted all our spirits and I believe it is this iron will of the people which will determine the outcome of the war.

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RECONSTRUCTION OF WAR-STRICKEN REGIONS DISCUSSED

Tehran KEYHAN in Persian 6 Jun 83 p 20

[Interview with Prime Minister Mir Hoseyn Musavi, Prosecutor General Ayatollah Sane'i, Minister of the Interior Hojjat ol-Eslam Nateq-Nuri and members of the supreme council for the reconstruction of war-stricken regions by domestic correspondents of press, radio and television at Office of the Prime Minister; date not specified]

[Text] Engineer Mir Hoseyn Musavi, the prime minister; Ayatollah Sane'i, the prosecutor general; Hojjat ol-Eslam Nateq-Nuri, the minister of the interior, and the members of the supreme council for the reconstruction of war-stricken regions took part in a press, radio and television interview with domestic correspondents in the Office of the Prime Minister and presented a report about the operations of the headquarters for the reconstruction of the war-stricken regions.

First, Engineer Musavi said in connection with the future activities and programs of the government: Towards the end of the winter of 1982, the reconstruction of war-stricken regions began and, fortunately, great successes have been achieved in this area. A very important factor in planning has been the keen interest of the people in participating in the reconstruction of the war-stricken regions. With the experiences we have gained in the war, we have relied and will continue to rely mostly on the forces of the people, because we could not have achieved any success without them.

He said: Last year, when Khuninshahr was changed to Khorramshahr and the occupied regions were retrieved, the people began to work with the vast coordination and organization of the clergy and significant progress was made in activities. At the present time, the work that the government hopes to accomplish and pursue is related for the most part to the people and their forces.

Then, Ayatollah Sane'i responded to this question: Considering the insufficient security on the southern and western borders of the country, how can reconstruction take place in these areas, since the war refugees will not go there?

I do not think that our compatriots will refuse to go there, because once they realize that it is an Islamic injunction, they will never refuse. He added: A Muslim can never ignore the good of Islam and I believe that the government policy is to declare its victories through their relocation in the war regions and to make the world understand that after one year of reconstruction, the people have begun to live in their residential places, because Saddam is making his final efforts. Concerning the role of the clergy in the reconstruction of the war-stricken regions, the prosecutor general said: The role of the clergy and the people must be summarized in one phrase, which is, the role of the Muslim people, because the role of the clergy coincides with the interest of the people in the clergy. Even if the government is involved in these activities and has a role, it is the Muslim people who build everything. The people are by nature fond of the clergy and it has been through reliance on the clergy and the people that thus far more than 35,000 residential units have been built in the war-stricken regions. It is the people who have been successful in bringing the task of reconstruction to the point it has reached, under the supervision of the government.

Then Hojjat ol-Eslam Nateq-Nuri, the minister of the interior, said in connection with the future plans of this headquarters: The headquarters for the reconstruction of the war-stricken regions makes decisions with the participation of the fully authorized representatives of the Ministries of Agriculture, Interior, Roads and Transport, Energy, Housing and Urban Development, Planning, Budget and Finance, Heavy Industries, and Guards Corps as well as the housing foundation and the foundation for the affairs of war immigrants concerning the implementary issues of the region. Each of the institutions, if they require reconstruction, cooperate with the related ministries to expedite the activities.

Concerning the division of labor in the reconstruction of the war-stricken regions, Hojjat ol-Eslam Nateq-Nuri said: In order to expedite the activities and create more order, we coordinated our efforts with most of the provinces. In every province, the Friday imams, the governors general and other provincial officials have formed a headquarters. They estimate their resources and coordinate the results with the central headquarters. Because of the interest of the provinces in participating in the reconstruction of the war-stricken regions, each has taken responsibility for one section. For example, thus

far, the following provinces have agreed to reconstruct an area to the best of their ability.

The Qods-e Razavi Estate has accepted the responsibility for the reconstruction of Hoveyzeh; the people of Karaj, the reconstruction of Shush; the people of Gilan, the reconstruction of Gilangharb; the people of Mazandaran, the reconstruction of Susangerd; the people of Fars, the reconstruction of Abadan; the people of Esfahan, the reconstruction of the villages around Ahvaz; the people of Hamadan, the reconstruction of Pol-e Zahab; the people of Khorasan, the reconstruction of Dast-e Azadegan; and, finally, the people of Tehran, the reconstruction of Khorramshahr.

Then, Engineer Musavi announced some of the work accomplished by the headquarters as follows:

Construction and repair of residential units: 35,493 units
Construction and repair of 467 educational centers: 467 units
Construction and repair of mosques and holy places: 83 units
Construction and repair of bath houses: 52 units
Construction and repair of rural roads: 16 items
Providing drinking water reservoirs: 120 units
Construction and repair of city sewers: 18 units
Construction and repair of asphalt roads and streets: 18 items
Construction and repair of bridge openings: 112 items
Providing capital for cooperative stores: 48 cases
Reconstruction and expansion of water outreach network: 20 items
Electricity outreach: 60 villages
Planting of palm trees: 18.5 million trees
Pesticides: 2,773,000
Vaccination of livestock: 5 million heads
Plant pest control: 128,00 square hectares

In conclusion, the prosecutor general thanked all the compatriots who have helped in reconstruction and wished them all success.

NAMES OF CENTRAL, JUDICIAL COUNCILS ELECTED AT IRP CONGRESS

Tehran JOMHURI-YE ESLAMI in Persian 16 May 83 p 14

[Text] NEWS SERVICE--The final meeting of the first IRP Congress was held at the martyrs' field in the presence of President Hojjat ol-Eslam val-Moslemin seyyed 'Ali Khamne'i. After recitation of verses from the koran, the names of the new members of the Central and Judicial Councils of the IRP elected for the next 2 years were announced in the order of the number votes each had received.

Names of the Members of the IRP Central Council

1. Hojjat ol-Eslam val-Moslemin Akbar Hashemi-Rafsanjani
2. Hojjat ol-Eslam val-Moslemin 'Ali Khamne'i
3. Ayatollah Mohammad Mehdi Rabbani Amlashi
4. Hojjat ol-Eslam val-Moslemin Mohammad 'Ali Movvahedi-Kermani
5. 'Ali Akbar Velayati
6. Hojjat ol-Eslam val-Moslemin 'Abbas Va'ez-Tabasi
7. Akbar Parvaresh
8. 'Abbas Sheybani
9. Mohammad Reza Beheshti
10. 'Abbas Beheshti
11. Hojjat ol-Eslam Qorban-'Ali Dari-Najafabadi
12. Hojjat ol-Eslam Masih Mohajeri
13. Hassan Qafuri-Fard
14. Mir Hoseyn Musavi
15. Habibollah 'Asgar-Oladi-Mosalman
16. Hojjat ol-Eslam Moshen Do'agu Feyzabadi
17. Abolqassem Sarhaddizadeh
18. Gholam-Hoseyn Sharifkhani
19. Mohammad Reza Bahonar
20. Assadollah Lajevardi
21. Assadollah Badamchian
22. Javad Mansuri
23. Seyyed Reza Zavvareh'i
24. 'Abdollah Jasebi
25. Morteza Nabavi
26. Sa'id Amani
27. Hojjat ol-Eslam (Mohieddin) Fazel-Harandi

28. Mostafa Mir-Salim
 29. Mohammad Hasan Asgharnia
 30. Hojjat ol-Eslam Javad Azheh'i
- Names of Alternate Members of the Central Council
1. Mostafa Ha'erizadeh-Yazdi
 2. Hoseyn Kamali

Incidentally, the following persons became eligible for the second elections:

1. Hojjat ol-Eslam val-Moslemin Seyyed Abolfazl Musavi-Tabrizi
2. Hojjat ol-Eslam 'Abdolhamid Mo'adikhah
3. Hojjat ol-Eslam Rasul (Montakhabnia)
4. Hojjat ol-Eslam 'Ali Movvahedi-Saveji
5. Mas'ud Shahidi
6. Farzad Rahbari
7. Hojjat ol-Eslam Esma'il Ferdowsipur
8. Rajab'ali Taheri
9. Hojjat ol-Eslam Qodratollah Najafi
10. Seyyed Mansur Razavi
11. Musa Zargar
12. 'Ali Reza Mahjub
13. Mohammad Hashemi
14. Motjaba Hamadani
15. Gholam-Reza Aqazadeh
15. Farshad Mo'meni

Members of the Judicial Council of IRP:

1. Hojjat ol-Eslam val-Moslemin Seyyed 'Ali Khamne'i
2. Hojjat ol-Eslam val-Moslemin 'Ali Akbar Hashemi-Rafsanjani
3. Ayatollah Mohammad Mehdi Rabbani
4. Hojjat ol-Eslam val-Moslemin 'Abbas Va'ez-Tabasi
5. Hojjat ol-Eslam val-Moslemin Mohammad 'Ali Movahedi-Kermani

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